

Draft – Predecisional 12-13-18

Pipeline Safety Voluntary Information-sharing System Recommendation Report

Submitted by:
Voluntary Information-sharing System
Working Group

December 2018

Intentionally Blank

(Draft) Chair Letter to the Secretary

Voluntary Information-sharing System Working Group
Federal Advisory Committee

Month, Day, Year

The Honorable Elaine Chao
Secretary of Transportation
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Chao:

On behalf of the Voluntary Information-sharing System Working Group (VIS WG), it is our pleasure and privilege to submit the final voluntary information-sharing system recommendation report for your consideration. The VIS WG is a federal advisory committee that was established under Section 10 of the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016 (Public Law 114-183). The VIS WG members consisted of a diverse group of pipeline safety stakeholders, including Federal and State regulators; operators of pipeline facilities; inspection technology, coating, and cathodic protection vendors; pipeline inspection organizations; safety advocacy groups; research institutions; and, other related entities.

The VIS WG was responsible for providing recommendations to the Secretary of the U.S. Department of Transportation (U.S. DOT) on the development of a voluntary information-sharing system to encourage collaboration and to improve inspection information feedback and information sharing with the purpose of improving gas transmission and hazardous liquid pipeline facility integrity risk analysis.

The final recommendation report represents the collaborative work of the VIS WG members. Over the past two-years, we worked diligently to better understand information sharing systems and collaborated with numerous pipeline industry stakeholders, as well as other energy and transportation sectors. The culmination of our work provides three primary recommendations for your consideration and a framework for developing a voluntary information-sharing system. We believe that establishing a voluntary information-sharing system aligns well with Pipeline Safety Management System principles. This ground-breaking initiative will advance safety in the pipeline industry.

We sincerely appreciate the support of the U.S. DOT and the Pipeline and Hazardous Materials Safety Administration's (PHMSA) leadership, Administrator Howard 'Skip' Elliott, Chief Counsel Paul Roberti, Associate Administrator for Pipeline Safety, Alan Mayberry, and Dr. Christie Murray, VIS WG Designated Federal Official. The VIS WG is equally grateful for the support of the seven VIS WG subcommittees and PHMSA's staff for their collaboration and active engagement throughout the process.

Sincerely,

Diane X. Burman
Chair

Disclaimer

The Voluntary Information-sharing System Working Group (VIS WG) developed and produced this recommendation report. The VIS WG was established under Section 10 of the Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016 (Public Law 114-183), to provide recommendations to the Secretary of Transportation on the development of a voluntary information-sharing system to encourage collaborative efforts to improve inspection information feedback and information sharing with the purpose of improving gas transmission and hazardous liquid pipeline facility integrity risk analysis.

The U.S. Department of Transportation (U.S. DOT) established the VIS WG, a federal advisory committee (“the Committee”), in December 2016 in accordance with the provisions of the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C. App. 2. The FACA helps ensure the independent nature of the Committee and requires that the U.S. DOT not exercise influence over the advice and recommendations contained in the report. Consistent with this provision, neither this report, nor the final recommendations, have been cleared or approved by the U.S. DOT or the Pipeline and Hazardous Materials Safety Administration (PHMSA). The report represents the collaborative and collective work of the Committee and its final recommendations. The views expressed in this report represent the independent advice, recommendations, guidance, and considerations of the VIS WG.

Voluntary Information-Sharing System Working Group
PHMSA Federal Advisory Committee
PHMSA Designated Federal Official: Dr. Christie Murray

Eric Amundsen

Vice President, Panhandle, Energy/Energy
Transfer Partners

Michael Bellamy

Technology Vendor General Manager, PII
Solutions (GE)

Kate Blystone

Outreach Manager, Pipeline Safety Trust

Bryce Brown

Vice President, Group Strategy Management,
Rosen

Robert Buchanan

General Manager, Seal for Life Industries

Diane Burman

Commissioner, New York State Public Service
Commission

Dan Cote

Vice President of Pipeline Safety and
Compliance, NiSource Gas

Jason Cradit

Senior Director of Technology, Universal
Pegasus International, Inc.

Dr. Yiming Deng

Associate Professor, Michigan State University

Alicia Farag

President and CEO, LocusView Solutions

Mark Hereth

Principal, Process Performance Improvement
Consultants

Leif Jensen

Senior Director of Asset Integrity, Sunoco
Logistics

Walter Jones

Director of Occupational Safety and Health

Michael Keller

Associate Professor of Mechanical Engineering,
University of Tulsa

Mike LaMont

Vice President, Integrity Plus

John MacNeill

National Safety Director, Utility Workers Union
of America

Alan Mayberry

Associate Administrator for Pipeline Safety,
PHMSA

Randy Parker

Vice President of Regulatory Affairs, Kinder
Morgan

Holly Pearen

Senior Attorney, Environmental Defense Fund

Dr. Simona Perry

Research Director and Founder, Pipeline Safety
Coalition

Eric Sherman

Legislative Assistant, Native American
Contractors of Association

Joe Subsits

Chief Pipeline Safety Engineer, Washington
Utilities and Transportation Commission

Michelle Thebert

Director, Facilities Protection Unit, Georgia
Public Service Commission

Christopher Warner

Vendor, Senior Vice President, Mears Group,
Inc.

Mark Zuniga

Vice President of Information Technology,
Universal Pegasus International, Inc.

Acknowledgments

The Voluntary Information-sharing System Working Group (VIS WG) is grateful to the many individuals and organizations that have provided expertise, knowledge, and important insights about the need for a voluntary information-sharing system. The VIS WG would like to thank the many technical experts, organizations, and other individuals who presented and shared valuable information at the VIS WG meetings and teleconference calls. These presentations were vital to our work, and informed the final recommendation report. The VIS WG also appreciates the individuals and organizations that provided public comment. The public comments provided insights and information that helped inform the VIS WG's work and the final recommendations.

We sincerely appreciate the support of the U.S. Department of Transportation and the Pipeline and Hazardous Materials Safety Administration's (PHMSA) leadership, Administrator Howard 'Skip' Elliott, Chief Counsel Paul Roberti, Associate Administrator for Pipeline Safety, Alan Mayberry, and Dr. Christie Murray, VIS WG Designated Federal Official. The VIS WG is equally grateful for the support of the seven VIS WG subcommittees and PHMSA's staff for their collaboration and active engagement throughout the process.

Finally, we extend a special thank you to the seven short-term subcommittee participants and volunteers and PHMSA support staff for outstanding efforts and expertise significantly contributed to the success of the Committee –Nancy White, Michelle Freeman, Max Kieba, Karen Lynch, Hung Nguyen, Dr. Sherry Borener, Chris McLaren, Dr. Douglas White, Amy Slovacek, Amal Deria, Ahuva Battams, Amy Nelson, Cheryl Whetsel, Tewabe Asebe, Paul Mounkhaty, and Janice Morgan. Their professionalism and technical support helped the VIS WG achieve its desired outcomes.

Table of Contents

| | |
|---|-----------|
| 1. Executive Summary | 5 |
| 2. Introduction | 7 |
| Congressional Mandate..... | 7 |
| Critical Pipeline Industry Challenges to Information-Sharing | 7 |
| The Need for an Information Sharing System | 9 |
| 3. Background and History of Information Sharing | 11 |
| Outside the Pipeline Industry | 11 |
| Within the Pipeline Industry | 17 |
| 4. Scope | 25 |
| Scope and Audience..... | 25 |
| Strategic Mission Statement | 25 |
| Guiding Principles | 25 |
| Alignment with Safety Management System (SMS)..... | 26 |
| 5. Methodology | 28 |
| 6. Benefits and Barriers of Information-sharing System | 29 |
| Sharing Pipelines Safety Information | 29 |
| Benefits of Information Sharing | 29 |
| Barriers to Information Sharing | 33 |
| Types of Data and Information | 35 |
| Effective Measures to Sharing Pipeline Safety Information..... | 36 |
| 8. Components of an Effective Pipeline Safety Voluntary Information-sharing System | 39 |
| Regulatory, Funding, and Legal Infrastructure (RFL)..... | 40 |
| Governance Structure..... | 46 |
| Competence, Awareness, and Training | 48 |
| Process for Sharing Information | 52 |
| Technology and Research & Development | 57 |
| Architecture Considerations and Examples | 71 |
| Best Practices | 80 |
| 9. Recommendations | 84 |
| Primary Recommendations..... | 84 |
| Supporting Recommendations | 84 |
| 10. Conclusion | 99 |

| | |
|--|------------|
| 11. Appendices | 100 |
| Appendix I: Key Terms, Acronyms, and Definitions | 100 |
| Appendix II: Subcommittee Members | 110 |
| Appendix III: Subcommittee Task Statements | 111 |
| Appendix IV: VIS WG Charter | 113 |
| Appendix V: VIS WG Bylaws..... | 116 |
| Appendix VI: Work Group Establishment | 120 |
| Appendix VII: ASIAs InfoShare Use Case Example..... | 121 |
| Appendix VIII: Technology and R&D Subcommittee ILI Case Study Analysis | 123 |
| Appendix IX: R&D Case Study - ILI | 130 |
| Appendix X: Case Study #2 – External Corrosion Direct Assessment (ECDA)..... | 134 |
| Appendix XI: R&D Case Study #3 Lessons Learned – VIS Continuous Improvement ... | 138 |
| Appendix XI: Integrity Assessment Data and Analyses..... | 139 |
| Appendix XII: Preventative and Mitigative Efforts..... | 141 |
| Appendix XIII: How Voluntary Information Sharing Could Contribute to Continuous... | 142 |
| Improvement in Pipeline Safety..... | 142 |
| Appendix: XIV: Implementation Patterns | 148 |
| Appendix XV: Paradigms of Data Processing..... | 152 |
| Appendix XVI: Governance Model Options and Alternatives..... | 157 |

1. Executive Summary

Pipelines transport roughly two-thirds of domestic energy supplies through approximately 2.7 million miles of pipeline throughout the United States and are a relatively safe mode of transportation for hazardous liquid and natural gas in terms of fatalities and injuries. The National Transportation Safety Board (NTSB) estimates of transportation fatalities in 2017, by mode, are: Highway (37133); Rail (761), Marine (694); Aviation (350); and, Pipeline (20). While the annual rate of pipeline accidents and incidents remains low compared to other modes of transportation and have improved in the last decade in terms of safety, the data has plateaued. To achieve the breakthrough that the data suggests is needed to create meaningful change to advance pipeline safety, the pipeline industry must innovate and share data to help federal and state safety officials and pipeline operators increase the safety of these pipelines by better identifying and quantifying safety risks, as well as by implementing mitigation strategies, and addressing potential regulatory needs. Sharing data and information within the industry is beneficial, would advance pipeline safety, and has demonstrate its substantial impact to safety in other modes of transportation.

The Voluntary Information Sharing-system Working Group (VIS WG or the “Committee”) was established by Congressional mandate to consider the development of a voluntary information-sharing system to encourage collaborative efforts to improve inspection information feedback and information sharing with the purpose of improving gas transmission and hazardous liquid pipeline facility integrity risk analysis. The establishment of a pipeline safety voluntary information-sharing system (VIS) at this time has the potential to compliment and leverage or be leveraged by an industry-wide movement toward pipeline safety management systems (SMS). These systems complement each other in that they both rely on continuous improvement as a core process and consistent with that concept, both require effective sharing and analysis of data and information related to real-time or near real-time factors used in assessing pipeline integrity and risk, including (but not limited to): historic pipeline integrity data from pipeline operators and safety inspectors; incident/accident investigations and reports; ILI (ILI) data; direct assessment (DA) data [External Corrosion Direct Assessment (ECDA), Internal Corrosion Direct Assessment (ICDA), Stress Corrosion Cracking Direct Assessment (SCCDA)]; hydrostatic testing data; non-destructive examination (NDE) data; leak detection data; location and marking data; geohazard identification data; near miss data; and human performance data.

This report recommends the development this VIS to advance pipeline safety and identifies ways to develop a system that encourages full engagement, participation, and collaboration from pipeline operators, industry stakeholders, and third-party data management teams. In addition, the report recommends processes for sharing information, data and best practices with regards to communicating safety data and risks with and between the public, labor, and environmental/safety stakeholders.

One of the founding principles critical to the concept of a VIS is the need for a safe and non-punitive environment which will foster industry engagement, transparency, honesty, and collaboration. This fundamental is a critical first step in designing and implementing a VIS that leads to successful sharing and exchange of information with the goal of zero pipeline incidents and accidents. By first focusing on putting in place processes for establishing a secure system and best practices to protect and, where appropriate, de-identify proprietary and security-sensitive data, there is a better chance that there will be full pipeline operator and industry participation.

These processes and best practices will also ensure that the most relevant information to analyzing system-wide risk will be available to as many industry and public stakeholders as possible, and that a non-punitive environment can be created for genuine and timely reporting and feedback. With a non-punitive, trusted, multi-stakeholder, and collaborative VIS design in place, implementation of the system will encourage continual improvements in the exchange of pipeline safety information, the research and development of pipeline inspection technologies, and risk analysis of gas transmission, gas distribution, and hazardous liquid pipelines and facilities, leading to a safer overall operating environment.

The Committee unanimously states its conviction that the following three primary recommendations to the Secretary are essential to delivering the benefits of improved pipeline safety and safety management systems through the use of a voluntary information sharing system. The Committee believes that if these primary recommendations are accepted and implemented, the Nation will reap the benefits of improved pipeline safety and pipeline safety management systems. The Committee also believes that if these primary recommendations are rejected or not realized, the VIS effort will not be successful.

1. Congress should authorize and stand up a VIS, to include participation by pipeline operators, PHMSA, and other pipeline safety stakeholders.
2. Congress should enact legislation to provide confidentiality, non-punitive and other legal protections to pipeline operators that participate in the VIS.
3. Distribution System information sharing must be included in the VIS program if meaningful industry incident reduction is to be achieved

In addition to the primary recommendations, the Committee provides supporting recommendations that will ensure that the VIS provides a comprehensive and practical approach to sharing information. The report also provides information on barriers, lessons learned, and best practices.

2. Introduction

Congressional Mandate

The Voluntary Information-sharing System Working Group (VIS WG or the “Committee”) is an advisory committee that was mandated under Section 10 of the “Protecting Our Infrastructure of Pipelines and Enhancing Safety Act” of 2016 (Public Law 114-183). The Committee has been tasked to provide recommendations to the Secretary of Transportation (the “Secretary”) on the development of a voluntary information-sharing system (VIS) to encourage collaborative efforts to improve inspection information feedback and information sharing with the purpose of improving gas transmission and hazardous liquid pipeline facility integrity risk analysis.

The U.S. Department of Transportation (U.S. DOT) established the Committee in December 2016. The Committee is comprised of members appointed by the Secretary of Transportation for a term of 3-years, and includes: representatives from the U.S. DOT’s Pipelines and Hazardous Materials Safety Administration (PHMSA); industry stakeholders, including operators of pipeline facilities, inspection technology, coating, and cathodic protection service vendors, pipeline inspection organizations; safety advocacy groups; research institutions; state public utility commissions and state officials responsible for pipeline safety oversight; state pipeline safety inspectors; labor representatives; and other entities as determined appropriate by the Secretary.

The Committee was tasked with considering and providing recommendations to the Secretary by December 2018 on the following:

- a) The need for, and the identification of, a system to ensure that dig verification data are shared with in-line inspection (ILI) operators to the extent consistent with the need to maintain proprietary and security-sensitive data in a confidential manner to improve pipeline safety and inspection technology.
- b) Ways to encourage the exchange of pipeline inspection information and the development of advanced pipeline inspection technologies and enhanced risk analysis.
- c) Opportunities to share data, including dig verification data between operators of pipeline facilities and in-line inspector service providers to expand knowledge of the advantages and disadvantages of the different types of ILI technology and methodologies.
- d) Options to create a secure system that protects proprietary data while encouraging the exchange of pipeline inspection information and the development of advanced pipeline assessment methods and enhanced risk analysis.
- e) Means and best practices for the protection of safety and security-sensitive information and proprietary information.
- f) Regulatory, funding, and legal barriers to sharing the information described in paragraphs (a) through (d).

Details of the VIS WG Charter, Bylaws, and Establishment are available in the appendices of this report.

Critical Pipeline Industry Challenges to Information-Sharing

Pipelines transport roughly two-thirds of domestic energy supplies through approximately 2.7 million miles of pipeline throughout the United States and are a relatively safe mode of

transportation for hazardous liquid and natural gas in terms of fatalities and injuries. The National Transportation Safety Board (NTSB) estimates of transportation fatalities in 2017, by mode, are: Highway (37133); Rail (761), Marine (694); Aviation (350); and, Pipeline (20). In the last 20 years, there have been 806 Serious federally reportable incidents; incidents resulting in fatalities or serious injuries. The breakdown by type is: Gas Distribution (646 events, 80 percent); Gathering (5 events, 1 percent), Gas Transmission (94 events, 12 percent), Hazardous Liquids (60 events, 7 percent), Liquefied Natural Gas (1 event). While the annual rate of pipeline accidents and incidents remains low compared to other modes of transportation and have improved in the last decade in terms of safety, the data has plateaued. To achieve the breakthrough that the data suggests is needed to create meaningful change to advance pipeline safety, the pipeline industry must innovate and share data to help federal and state safety officials and pipeline operators increase the safety of these pipelines by better identifying and quantifying safety risks, as well as by implementing mitigation strategies, and addressing potential regulatory needs. Sharing data and information within the industry is beneficial, would advance pipeline safety, and has demonstrate its substantial impact to safety in other modes of transportation.

The Nation's natural gas and hazardous liquid pipelines are largely regulated by the U.S. Department of Transportation's (U.S. DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA) and its state partners. The current approach to pipeline safety i.e. the pure regulatory compact whereby PHMSA establishes regulations and pipeline operators abide by those regulations has made significant progress, particularly in high consequence areas, but all stake holders agree that incremental safety improvement is possible and expected. Enforcement alone is a limited tool. Many safety critical industries have shown that learning from all participants leads to greater improvements in safety performance. The experience of the civil aviation industry is a good example, where an industry wide information sharing system was put in place over 20 years ago, leading to zero accidents for the past 9 years.

Operating from the principle that none of us is as smart as all of us, information sharing across the pipeline industry allows all operators to learn from the experience of every other operator. Indeed, operators with smaller systems, budgets and resources who can leverage the knowledge and learnings of the larger operators benefits all stakeholders. There is industry-wide evidence that there is currently a considerable amount of data and information sharing taking place amongst operators and within associations as well as between operators and service providers. In fact, industry recommended practices such as *API 1163 ILI Systems Qualification Standard* broadly describes the best-practice related to the use of in-line inspection technologies including data requirements, system validation, and qualification of technology and personnel and management systems. In practice, the broad nature of such a standard means that the possible range of implementations intended to satisfy the standard varies widely, increasing the chance for inconsistency and misinterpretation of data records. The recommendations contained in the report focus on improvements in the application of best practice(s) to meet the intention of the codes and standards (e.g. *CFR*, *API 1163*, etc.) which will facilitate information sharing across the industry. The prospect of a more consistent and universally accepted/embraced sharing process will lead to greater safety improvement.

The design and development of a pipeline voluntary information sharing system must consider natural barriers to such a concept. These barriers were faced by the founders of the ASIAs and

CAST systems and must be overcome in the design and practice of a VIS. These challenges can be separated into the following four distinct areas:

1) Legal Barriers to Data and Information Sharing

- a. Legal repercussions may arise out of information sharing as they relate to antitrust rules.
- b. Legal issues may arise during identification of potential safety issues through information sharing with DOT that could lead to legal jeopardy for industry participants.

2) Organizational and Governance Barriers

- a. If a VIS is non-governmental who could afford to participate and how would it be managed?
- b. Requires a complex data management and IT system (such as the one used by the FAA for ASIAs) and it is not clear which one would be used or how that would be decided.
- c. Participants expressed a desire to use the information sharing environment to benchmark in-line-inspection providers of service; this would create a very different type of information sharing system.
- d. As technology develops with much faster pace, key is clarity of objectives so that proper information technology is employed effectively and efficiently.

3) Relationship/Trust Barriers

- a. Insufficient trust among industry participants and competition between industry service providers.
- b. Organizational environment needs to be constructed in such way that allows for the members to share information. Given this highly competitive industry, would it be possible for the members to develop enough trust to share information?
- c. Insufficient trust between industry and regulators. How can data and information be shared without fear of enforcement?
- d. Trust by public with regards to pipeline safety at an all-time low due to lack of historic lack of transparency and dishonesty. What assurances does the public need that a voluntary system of safety information sharing will be transparent, honest, and effective over the short and long-term? (Some disagreement among members, keep or delete this one?)

4) Cost Barriers

- a. Who will “own” the system and pay the costs for an information sharing hub, management of data and distribution of results.
- b. Technology development costs and the need to acquire or adapt data sharing technology used previously by the FAA could lead to higher up-front costs.

The Need for an Information Sharing System

These critical barriers to meeting pipeline safety challenges stem from current ad-hoc or limited information sharing and exchange among pipeline industry stakeholders, whether related to data inputs, risk analyses, lessons learned, training, or research and design. There is no existing industry-wide culture of consistent data sharing and trust. Additionally, safety advocate,

environmental, and labor stakeholders are increasingly alarmed by what they perceive as a lack of transparency and honesty with regards to pipeline safety information. Establishing a reliable voluntary information sharing system that is managed using secure protocols and a state-of-the-art information technology process would allow for the collection, de-identification, analysis, archiving, and dissemination of risk information based on historic, real-time, or near real-time factors for assessing pipeline integrity. Such a system and process would greatly improve the overall safety of pipeline infrastructure in the United States.

The VIS should allow for anonymous or open as well as deliberate (peer to peer) sharing of data, information or knowledge as the case or context may dictate (See the Section on Benefits and Barriers of Information Sharing). The VIS WG was established to specifically consider the sharing of ILI data and that context is sufficiently addressed in this report, along with the recommendation that other types of data must also be considered for sharing as part of the VIS for safety improvements across the pipeline industry.

An effective information sharing system is critical to ensure the integrity, reliability, and safety of our pipeline infrastructure and to bridge data and information gaps across the industry to advance pipeline safety. It is equally important for the pro-active identification of safety issues, risk analysis, communication of risk within and outside of the pipeline industry, and approaching safety in a business-like manner. Such an information-rich Safety Management System (SMS) will contribute to finding ways to detect problems before they become accidents or incidents. Shared information can produce actionable items and offer opportunities for continual learning and improvements.

3. Background and History of Information Sharing

Outside the Pipeline Industry

Safety management experts from outside the pipeline industry were invited by the Committee to present information and case studies about the why, what, who, and how of information sharing as an established best practice of safety management system(s) in their industries. The experts were asked what they would do differently if they were starting the information-sharing system today; things they would do more of, as well as less of. These invited experts included:

- Federal Aviation Administration (FAA). Aviation Safety Information Analysis and Sharing (ASIAS), Warren Randolph, Director, Aviation Safety Analytical Services
- Aviation Safety Action Program (ASAP) and Safety Management Systems – John DeLeeuw, American Airlines (AA) and Vickie Toman, SMS Manager (AA)
- Information Collection Presentation – Dr. Rolf Schmitt, Bureau of Transportation Statistics, Deputy Director
- Confidential Close Call Reporting System (C3RS) – Brian Reilly, Federal Railroad Administration (FRA) Human Performance Program Specialist
- Center for Offshore Safety (COS) – Charlie Williams, Executive Director, COS and Julia FitzGerald, Senior Associate
- National Transportation Safety Board (NTSB) – Robert Hall, Director, Office of Railroad, Pipeline and Hazardous Materials Investigations

The Best Practices, Process Sharing, and Technology/R&D subcommittees leveraged the information presented to understand what these experts had learned in setting up an information-sharing system in their specific industry's context and how to leverage existing practices, processes, procedures and governance models currently being utilized in other industries. Especially of interest were existing and ongoing processes that focus on data and information sharing for the purpose of improving safety performance. In some cases, the level of sophistication and overall systems used are quite elaborate and have evolved over a period of time. As a result of their in-depth evaluation, the Committee recommends that the development and implementation of a pipeline safety VIS consider adoption or development of processes and procedures based on best practices embodied in the COS and ASIAS programs highlighted below.

Center for Offshore Safety - The COS is an industry sponsored group focused exclusively on offshore oil and gas industry safety on the U.S. Outer Continental Shelf (OCS). The purpose of COS is adopting standards of excellence to ensure continuous improvement in safety and offshore operational integrity. Their safety programs were designed to promote the highest level of safety for offshore drilling, completions, and operations through leadership and effective management systems addressing communication, teamwork, and independent third-party auditing and certification. The COS has developed tools for reporting and analyzing incidents and events that are applicable to the VIS effort and should be considered for adoption or at a minimum as referenced best practice. The COS endeavors to achieve operational excellence by:

1. Enhancing and continuously improving industry's safety and environmental performance.
2. Gaining and sustaining public confidence and trust in the oil and gas industry.
3. Increasing public awareness of the industry's safety and environmental performance.

4. Stimulating cooperation within industry to share best practices and learn from each other.
5. Providing a platform for collaboration between industry, the government, and other stakeholders.

In addition, there are a set of eight guiding principles used by COS that should be considered for adoption in the development and implementation of a pipeline safety VIS:

1. COS Members demonstrate a visible commitment to safety.
2. COS Members work together to create a pervasive culture of safety.
3. Decision-making at all levels does not compromise safety.
4. Safety processes, equipment, training, and technology undergo continual improvement.
5. Members share learning experiences and embrace industry Standards and best practices to promote continual improvement.
6. Open communication and transparency of safety information is utilized to build mutual trust among stakeholders and promote collective improvement in industry performance.
7. Collaborative approaches are utilized to drive safe and responsible operations, and mutual accountability.
8. Everyone is personally responsible for safety and empowered to take action.

The COS has developed a relevant, high level strategy for information sharing that is geared more towards learning from incidents and near-misses rather than sharing discrete data. Within this context, the COS provides methods for collecting, analyzing and reporting this kind of data and information, developing best practices for mitigation of incidents and sharing within the offshore industry, and building a culture of honest and open communication with regards to safety among industry stakeholders. The COS has developed a system for capturing and reporting Safety Performance Indicators (SPI) and also produces an annual report. An overview of this information is provided in the appendices.

Aviation Safety Information Analysis and Sharing - The ASIAS program is a collaboration between the FAA and the aviation community to proactively analyze existing and voluntarily provided safety data to advance aviation safety. Members of ASIAS include government agencies, aviation stakeholder organizations, aircraft manufacturers, and dozens of airlines and corporate operators. The ASIAS program works closely with the Commercial Aviation Safety Team (CAST) and the General Aviation Joint Steering Committee (GAJSC) to monitor known risk, evaluate the effectiveness of deployed mitigations, and detect emerging risk. The following characterizes the existing program:

1. A collaborative government-industry initiative on safety data analysis and sharing.
2. A risk-based approach to aviation safety, identifying and understanding risks before accidents or incidents occur.
3. Timely mitigation and prevention.
4. Governing Principles
 - 4.1. Voluntary Submission of safety sensitive data
 - 4.2. Transparency for how data are managed and utilized
 - 4.3. Analysis approved by an ASIAS Executive Board
 - 4.4. Procedures and policies based on collaborative governance

- 4.5. Operator/Original Equipment Manufacturer (OEM)/Maintenance, repair and overhaul (MRO) data are de-identified
- 4.6. Data used solely for advancement of safety

While many of these characteristics pertain to governance, they also help define what type of information should be shared and how the process of sharing might work in the pipeline safety context. The Committee recommends incorporating the ASIAS characteristics into a pipeline safety VIS. By providing a system to mainstream an industry-wide culture of information sharing, the ASIAS system is the leading example and best model for the pipeline safety VIS to emulate.

ASIAS Program: A Model for Continuous Improvement

The FAA's ASIAS Program's information-sharing system became the model for the Committee's recommendations on how the VIS should be implemented to be effective and successful over the long-term, as well as for catalyzing the initial formation of a pipeline safety VIS by providing a way of conducting initial risk analysis studies and generating safety reports on existing data and existing voluntarily submitted pipeline safety data.

Considering the amount of reference material available from ASIAS on chronological development, process framework, governance framework, funding, and lessons learned, the Committee recommends that in developing a pipeline safety VIS, the Secretary consider and utilize to the fullest extent possible this material and the expert knowledge available from the ASIAS program, its developers, managers and user community. Additionally, and equally useful, there are existing governance documents, operating procedures, cooperative agreements, and other materials from ASIAS that are applicable to implementing and managing a pipeline safety VIS.

Specifically, the Committee recommends the consideration of how ASIAS manages data from two distinct information systems that allows for a cycle of continuous safety improvement:

1. Aviation Safety Action Program – The objective of the ASAP is to encourage air carrier and repair station employees to voluntarily report safety information that may be critical to identifying potential precursors to accidents. Under ASAP, safety issues are not resolved through punishment or discipline. The ASAP information is a blend of alpha-numeric, numeric data and text.
2. Flight Operations Quality Assurance (FOQA) – The objective of FOQA is to use flight data to reveal operational situations in which risk is increased to enable early corrective action before that risk results in an incident or accident. A FOQA program is part of the operator's overall operational risk assessment and prevention program (as described in part 119, section 119.65 and FAA guidance materials), which in turn are a part of the airline operator's SMS. Data are collected from the aircraft by using special acquisition devices such as a Quick Access Recorder or Flight Data Recorder. The FOQA information is also a blend of alpha-numeric and numeric data.

Figure 1 provides a schematic of how ASIAS leads to a commercial aviation continuous safety improvement cycle.



Figure 1 – Aviation Continuous Improvement Cycle – Building On ASIAs

Information Sharing in ASIAs

ASIAs operates under the direction of an ASIAs Executive Board (AEB), which includes representatives from government and industry. The AEB authorizes ASIAs to conduct directed studies, assessment of safety enhancements, known risk monitoring, and vulnerability discovery. To enhance aviation safety, ASIAs shares the results of these analyses with the participants.

ASIAs has also established key safety benchmarks so that individual operators may assess their own safety performance against the industry as a whole.

ASIAs serves as a central conduit for the exchange of data and analytical capabilities among its participants. The ASIAs vision is to establish a network of at least 50 domestic and international airlines over the next few years—currently it is the only such center of its kind in the world.

Information Data Systems in ASIAs: ASAP and FOQA

ASIAs leverages two (2) distinct information systems: Aviation Safety Action Program (ASAP) and Flight Operational Quality Assurance (FOQA). In developing the pipeline safety VIS recommendations, the Committee evaluated these two information systems by taking an in-depth look at their purposes, how the data was collected, the types of data collected, and how each system was managed.

The purpose of ASAP is to prevent accidents and incidents by encouraging employees of certificate holders to voluntarily report safety issues and events. ASAPs provide for education of appropriate parties and the analysis and correction of safety concerns that are identified in the program. ASAPs are intended to create a nonthreatening environment that encourages employees to voluntarily report safety issues even though they may involve violation of Title 49 of the United States Code (49 U.S.C.), Subtitle VII, or violation of Title 14 of the Code of Federal Regulations (14 CFR). ASAP is based on a safety partnership between the FAA and the certificate holder and

may include any third party such as an employee labor organization. These programs are intended to generate safety information that may not otherwise be obtainable.

The objective of the ASAP is to encourage air carrier and repair station employees to voluntarily report safety information that may be critical to identifying potential precursors to accidents. The FAA has determined that identifying these precursors is essential to further reducing the already low accident rate. Under an ASAP, safety issues are resolved through corrective action rather than through punishment or discipline. The ASAP provides for the collection, analysis, and retention of the safety data that is obtained. ASAP safety data, much of which would otherwise be unobtainable, is used to develop corrective actions for identified safety concerns, and to educate the appropriate parties to prevent a re-occurrence of the same type of safety event.

An ASAP provides a vehicle whereby employees of participating air carriers and repair station certificate holders can identify and report safety issues to management and to the FAA for resolution, without fear that the FAA will use reports accepted under the program to take legal enforcement action against them, or that companies will use such information to take disciplinary action. These programs are designed to encourage participation from all airline employee groups, such as flight crewmembers, mechanics, flight attendants, and dispatchers.

FOQA is a voluntary safety program designed to improve aviation safety through the proactive use of flight-recorded data. Operators use the data to identify and correct anomalies in all areas of flight operations. Properly used, FOQA data can reduce or eliminate safety risks, as well as minimize deviations from regulations. Through access to de-identified aggregate FOQA data, the FAA can identify and analyze national trends and target resources to reduce operational risks in the National Airspace System (NAS), Air Traffic Control (ATC), flight operations, and airport operations.

The FAA and the air transportation industry have sought additional means for addressing safety problems and identifying potential safety hazards. Based on the experiences of foreign air carriers, the results of several FAA-sponsored studies, and input received from government/industry safety forums, the FAA concluded that wide implementation of FOQA programs could have significant potential to reduce air carrier accident rates below current levels. The value of FOQA programs is the early identification of adverse safety trends, which, if uncorrected, could lead to accidents. A key element in FOQA is the application of corrective action and follow-up to ensure that unsafe conditions are effectively remediated.

FOQA is a program for the routine collection and analysis of digital flight data generated during aircraft operations. FOQA programs provide more information about, and greater insight into, the total flight operations environment. FOQA data is unique because it can provide objective information that is not available through other methods. A FOQA program can identify operational situations in which there is increased risk, allowing the operator to take early corrective action before that risk results in an incident or accident. FOQA must interface and be coordinated with the operator's other safety programs, such as the ASAP, Advanced Qualification Program (AQP), pilot reporting systems, and Voluntary Disclosure Reporting Program (VDRP). The FOQA program is another tool in the airline operator's overall operational risk assessment and prevention program that allows for the proactive identification and mitigation of risks, leading to greater safety across the entire industry.

Data Management and Information Analysis in ASIAS

The VIS WG’s Technology and R&D subcommittee looked at ASIAS as a reference system for how to analyze, share, and manage the complex and diverse pipeline safety data that would be incorporated into the VIS Hub. MITRE is the ASIAS Third-Party Contractor. MITRE’s data analytics capabilities and secure data environments play a key role in the safety analysis and data sharing collaborations that allow the FAA and aviation community to proactively analyze extensive and diverse data.

ASIAS fuses internal FAA datasets, airline proprietary safety data, publicly available data, manufacturers’ data, and other data sources. Once analyzed, the aggregated data helps to proactively identify safety trends and assess the impact of changes in the aviation operating environment.

Public data sources include air traffic management data related to traffic, weather, and procedures. Non-public sources include data (stripped of identification markers) from air traffic controllers and aircraft operators. These records include digital flight data and safety reports submitted by flight crews and maintenance personnel. MITRE safeguards the airline safety data in a de-identified manner to foster broad participation and engagement.

Governance agreements with participating operators and owners of specific databases provide ASIAS analysts with access to safety data. Governed by a broad set of agreements, ASIAS has the ability to query millions of flight data records and de-identified textual reports via a secure communications network.

Lessons Learned and Mitigation in ASIAS

In discussions with FAA personnel responsible for managing ASIAS, it became apparent that having a better understanding of how the learnings from ASIAS were used in reporting back to the commercial aviation industry would be useful in developing measurable outcomes of a pipeline safety VIS. As one ASIAS example, CAST might request a study to be made using ASIAS to address concerns raised by pilots and mechanics. (It should be noted that the ASIAS Executive Board could also make such requests.) A study request is typically made as a “defined-use case.” The ASIAS Issues Analysis Team would then review the use-case and work with the Third-Party Contractor who manages the ASIAS data to define a work scope for the study. When the analysis is completed and reviewed by the Issues Analysis Team, the ASIAS Executive Board would review the findings and recommendations made by the Issues Analysis Team and share them with CAST. CAST then would develop documents, known as “InfoShares” to share the learnings and be presented in meetings of operators, CAST and ASIAS staff throughout the year. See Appendix X for a more detailed example of how an InfoShare was developed for one specific use case.

To illustrate the use of ASIAS’ overall continuous improvement cycle model to the pipeline safety VIS, the Process Sharing subcommittee created Table 1 to compare the current state of continuous safety improvement within the aviation industry and the pipeline industry.

Table 1 – Comparison of Continuous Safety Improvement – Current State

| | Aviation Industry | Pipeline Industry |
|---|--|---|
| Safety Management System | FAA Safety Management System | API RP 1173 – Pipeline Safety Management Systems |
| Information Sharing (Input) | Operators – voluntary, broad adoption | Operators – ad-hoc and limited |
| Information Analyses | ASIAS – comprehensive, systematic and integrated across carriers and MROs | A mix if ad-hoc and more systematically applied within Trade and Research Associations; largely not across them |
| Lessons Learned & Mitigation | CAST develops InfoShares - comprehensive, systematic and integrated across carriers and MROs | Within Trade and Research Associations; largely not across them |
| Future Design & Research | NextGen – in development and maturing | Within Trade and Research Associations; largely not across them |

Compared to the airline industry, it is clear from Table 1 that there are inconsistencies and gaps in information sharing across the pipeline industry that need to be filled. The Committee recommends standing up a pipeline safety VIS and fostering industry-wide involvement as a way to fill these gaps. The Committee recommends that implementation of a VIS for the pipeline industry should provide for a framework of best practices and fundamental information sharing elements found in other information sharing contexts or in other industries including, but not limited to:

- Governance, policies, procedures and recommended practice;
- Quality Assurance/Quality Control of data, information and knowledge;
- Security of Data and Information including methods to de-identify data and provide anonymity;
- Recognition of potential barriers to participation and methods to mitigate; and,
- Communication of results and performance measures.

Within the Pipeline Industry

To get an idea of the current context of safety information sharing within the pipeline industry, safety management experts from integrity management and voluntary safety information sharing initiatives within the pipeline industry were invited by the Committee to present information and case studies about the why, what, who, and how of these current initiatives. These invited experts included:

- API RP 1163, In-line Inspection (ILI) Systems, Drew Hevle, Kinder Morgan
- Common Ground Alliance Voluntary Reporting (DIRT) Erika Lee, VP, Programs & Administration
- Pipeline Research Council International, Cliff Johnson, President and Walter Kresic, Vice President, Asset Integrity, Enbridge Liquid Pipelines

The Best Practices, Process Sharing, and Technology and R&D subcommittees used the information presented to understand what these experts had learned in the pipeline industry context and how to leverage existing practices, processes, and types of data currently being utilized. After spending time understanding the history of successes and lessons learned in other industries, it became apparent that there were also established voluntary information-sharing system practices within the pipeline industry to draw upon. An example of a specific accepted practice for safety information sharing for gas and hazardous liquids transmission pipelines that was evaluated by the Best Practices, Process Sharing, and Technology and R&D subcommittees, and the VIS WG, was API RP 1163, In-Line Inspection System Qualification Standard (Include RP 1163 TOC in Appendix?). The subcommittees also evaluated a utility-specific program, Pacific Gas & Electric's Corrective Action Program, which allows employees, contractors and other industry stakeholders to report safety concerns.

As a result of their in-depth evaluations, the Committee recommends that pipeline industry engagement and sharing of data and information be encouraged by creating a pipeline safety VIS that in its initial stages builds off of existing and already accepted pipeline industry best practices and standards through collaboration with Pipeline Research Council International (PRCI) and specific efforts by pipeline industry trade associations such as the American Petroleum Institute (API), Common Ground Alliance (CGA) and Interstate Natural Gas Association of America (INGAA) as highlighted below:

Pipeline Research Council International (PRCI) - PRCI is a research and technology-based consortium established by and for the energy pipeline industry. The organization was founded in the 1950's on the basis of a voluntary and collaborative approach to solving a very specific pipeline industry problem. Since that time the association has continued in a collaborative manner to solve common challenges via data and information sharing, knowledge transfer and technology development. In particular, PRCI has recently endeavored to collaborate on an ILI data sharing project that is specifically synergistic to the VIS. After their presentation to the VIS WG, PRCI staff developed a report that provided an overview of an example information sharing project (*NDE-4E In-line Inspection Crack Tool Performance Evaluation*) and offers recommendations and guidance for sharing safety information within the VIS context. The case study PRCI Project *NDE-4E* describes the performance of ILI tools as they relate to the detection and characterization of crack and 'crack-like' anomalies in pipelines. The PRCI report focuses on the entire process and technology gaps, including the NDED field measurement processes, which need to be addressed (in order to support a VIS).

Additionally, PRCI's presentation to the VIS WG provided guidance relative to the implementation of *API 1163 ILI Systems Qualification Standard*. API 1163 broadly describes the best-practice related to the use of in-line inspection technologies including data requirements, system validation, and qualification of technology and personnel and management systems. In practice, the broad nature of such a standard means that the possible range of implementations

intended to satisfy the standard varies widely, increasing the chance for inconsistency and misinterpretation of data records. The PRCI report focused on improvements in the application of best practice(s) to meet the intention of the codes and standards (e.g. *CFR*, *API 1163*, etc.) which will facilitate greater information sharing and improved consistency with regards to safety across the industry.

Industry Trade Associations - Various pipeline industry trade associations have developed initiatives for sharing and improving best practices and lessons learned, performance measures, and other safety management system efforts. To implement the pipeline safety VIS, the Committee recommends improving upon current trade association initiatives without disrupting or changing their current approaches. Some examples of these current initiatives include INGAA Foundation Lessons Learned, API Virtual Tailgate, and API's Pipeline Information eXchange (PIX).

Guidance documents and workflow available from the various associations (API, AOPL, PRCI, INGAA, SGA, AGA, APGA, CGA others) describing their specific initiatives, processes, best practices, protections, performance measures, etc. should be used in the design and initial implementation of the VIS. An industry-wide pipeline safety VIS would enable a broader context for information sharing and allow greater sharing between pipeline operators of the following:

- Lessons learned from failures (including near misses)
- Lessons from unique or unexpected situations and solutions
- Lessons learned from routine assessments

As a result of this evaluation, the VIS WG recommends that the development and implementation of a pipeline safety VIS be considered and implemented by first refining, expanding on, and increasing use of the current practices, processes and types of data being shared based on API RP 1163, specific corrective action programs already created by specific utility companies and operators, and other existing and already accepted industry best practices and standards.

Opportunities for Pipeline Safety Information Sharing Across the Industry

API RP 1163 provides a consistent means of assessing, using, and verifying in-line inspection (ILI) equipment and the results of inspections across the industry. The standard covers equipment as it relates to data quality, consistency, accuracy, and reporting. The objective is to assure at minimum the following:

- Inspection companies make clear, uniform, and verifiable statements describing tool performance
- Pipeline companies select inspection equipment suitable for the conditions under which the inspection will be conducted, including but not limited to the pipeline material characteristics, pipeline operating conditions and the types of indications or anomalies to be detected
- The inspection equipment operates properly under the conditions specified and inspection procedures are followed before, during and after the inspection
- Anomalies are described in inspection reports using a common predetermined vocabulary set as described in this standard.
- Tool performance and physical characteristics are reported in a common format;

- The reported data provide the accuracy and quality anticipated in a consistent format using a common set of terms defined in this standard.

Current Information Sharing and Management for ILI of Transmission Pipelines

The current state of information sharing under API RP 1163 is bilateral between the pipeline operator and ILI service provider. While the use of API RP 1163 is widespread it is not applied by all operators in all uses of ILI. The current state is depicted in Figure 2.

Current State – Data Sharing Under API RP 1163 Construct



Figure 2 – Current State of Information Sharing Under API RP 1163

API RP 1163 serves as an umbrella document to be used with and complement companion standards: NACE SP0102, In-line Inspection of Pipelines and ASNT ILI-PQ, In-line Inspection Personnel Qualification and Certification. As an umbrella document the standard provides performance-based requirements for ILI Systems, including procedures, personnel, equipment, and associated software. There was and continues to be broad involvement by the pipeline industry in the standard. It is currently undergoing a cyclical revision under the API ANSI standards development process.

It was developed to enable ILI service providers and pipeline operators to provide rigorous processes that will consistently qualify the equipment, people, processes, and software utilized in the ILI industry. The use of an ILI System to manage the integrity of pipelines requires close cooperation and interaction between the provider of the inspection service (ILI service provider) and the beneficiary of the service (operator). The standard provides requirements that will enable ILI service providers and operators to clearly define the areas of cooperation required and thus ensure the satisfactory outcome of the inspection process. The standard covers the use of ILI Systems for onshore and offshore gas and hazardous liquid transmission pipelines. An example of the ILI process is provided in Figure 3. This includes, but is not limited to: tethered, self-propelled, or free flowing systems. The standard is applicable for detecting: metal loss, cracks, mechanical damage, pipeline geometries, and pipeline location or mapping. The standard applies to both existing and developing technologies. It is not technology specific. It accommodates present and

future technologies used for in-line inspection systems. One objective of this standard is to foster continual improvement in the quality and accuracy of in-line inspections

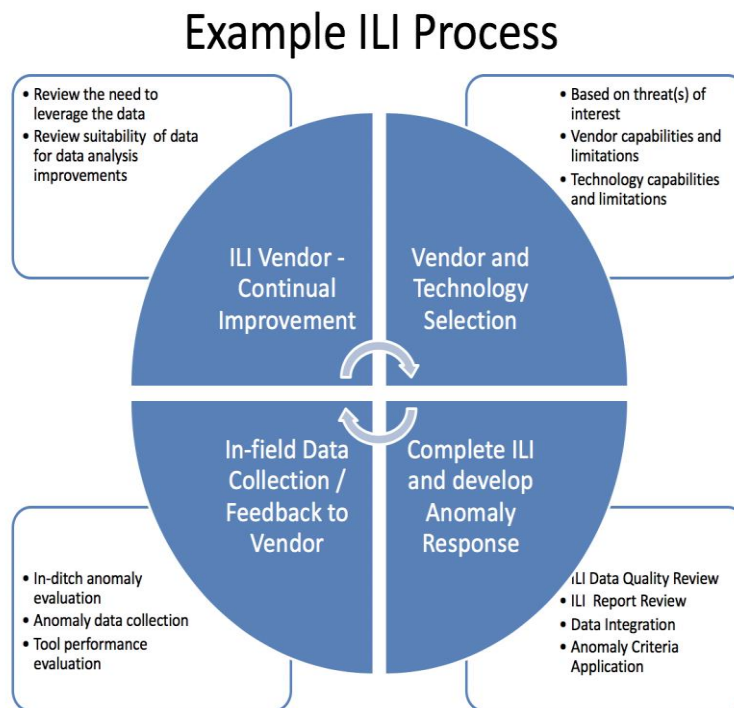


Figure 3 - Example Application of API RP 1163

Another example to build upon inside the pipeline industry is PG&E’s Correct Action Program. The Corrective Action Program (CAP) is a program that empowers employees at all levels of PG&E to speak up and identify issues that are in need of improvement. It is similar in many respects to ASAP used by operators within commercial aviation. It is an essential part of “find it, so we can fix it” to empower PG&E employees to have an observable impact on asset, personnel and public safety.

PG&E’s Gas Operations launched CAP in 2013 to enable employees with a simple method to identify and report issues related to gas assets and processes. In 2017, the CAP program was deployed to all lines of business throughout PG&E. The types of issues submitted include employee concerns or suggestions, operational events, audit findings, near misses (“good catches”) or issues with facilities, tools, procedures, records, training and safety.

The CAP process employs a standardized approach (Figure 4), including a CAP Review Team, composed of subject matter experts from various Gas organizations, that meets daily to review CAP issues submitted the previous day. The team’s function is to categorize each issue, assess it for risk, and assign it to an owner. The role of the issue owner is to investigate and identify the causes underlying the issue and to address them appropriately by implementing corrective actions to mitigate risks or prevent recurrence. Initiators receive an email when the item they submitted is assigned and again when it is closed. The CAP provides real- time data and ensures transparency and accountability. The system is designed to provide trending capabilities and a continuous improvement loop to capture lessons learned and to improve the safety and reliability of PG&E’s

operations. The CAP team conducts monthly quality closure reviews on all high and medium risk issues, as well as a sampling of low risk issues. These closure reviews are performed to confirm that issues are adequately addressed and properly documented.

Since 2017, the CAP team has hosted regular user group forums to identify user needs and preferences as well as CAP enhancement opportunities. Additionally, members of gas leadership attended over 50 Cap Review Team meetings to provide input on the CAP process. Face- to- face CAP training was also provided to field employees at safety summits, all- hands meetings, and other employee meetings and training sessions. A web- based CAP training module is available for all employees, and real- time data are available on the CAP dashboard. The CAP process continues to mature and serves an important role in Gas Operations to identify and correct safety issues and implement process improvements (REF: PG&E Public Filings).

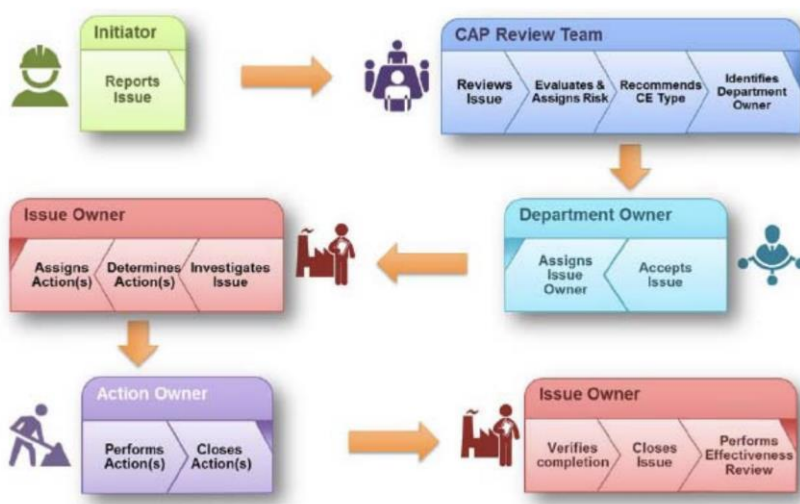


Figure 4 – PG&E CAP Process

The VIS WG recommends that the participation in and implementation of a VIS for the pipeline industry should complement, build upon, and/or leverage existing information sharing that currently occurs at the operator level, within industry associations or between Operators and Service Providers. The VIS should provide a means to share information, knowledge and solutions relative to high value learning events from existing industry efforts and programs for the benefit of all Operators (regardless of affiliation or not with specific associations or interest groups) and broader audiences or stakeholders. A recommended framework of the various information sharing processes currently in place is included in Figure 5.

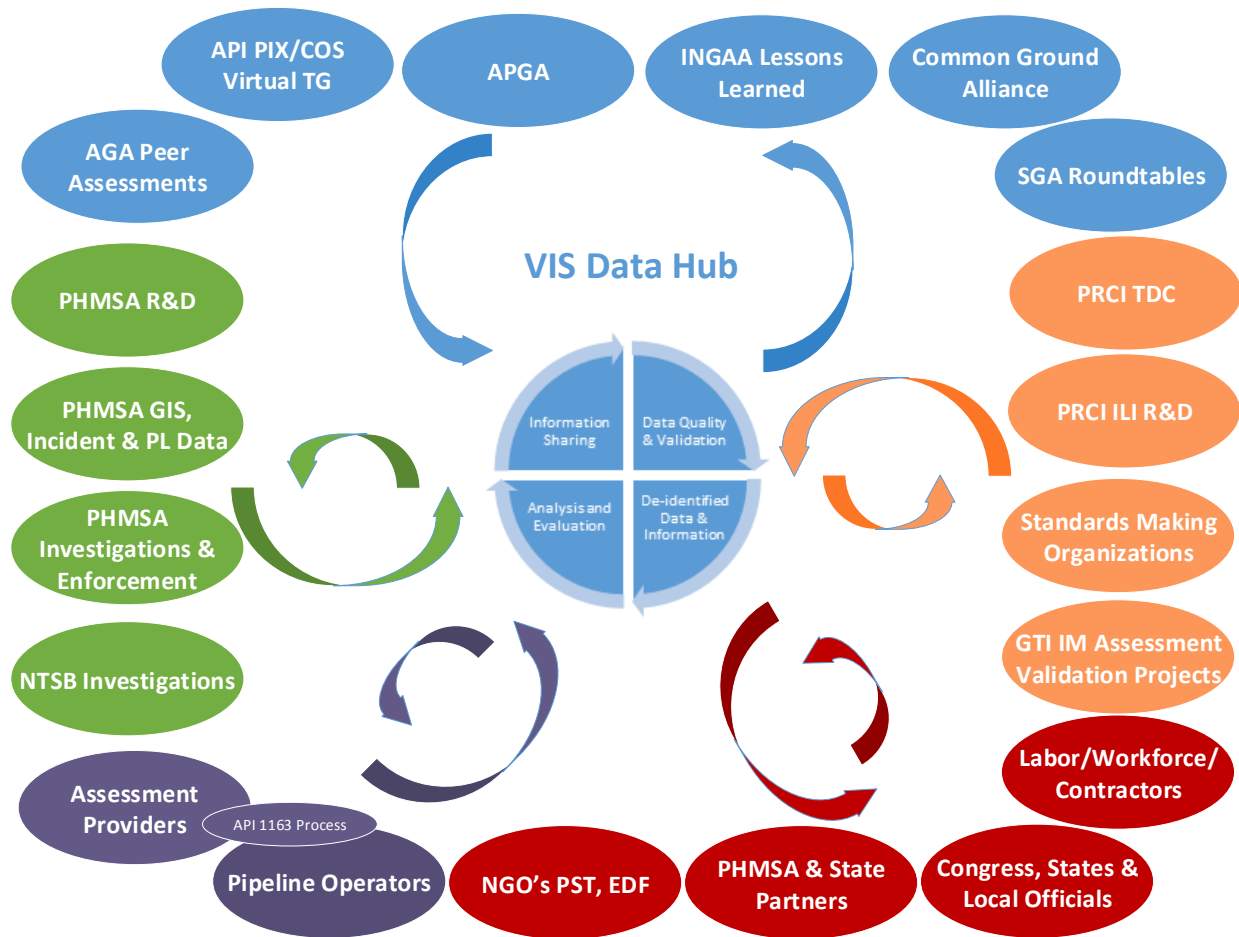


Figure 5

This illustration captures the various industry segments relative to their primary function within the energy pipeline industry as follows:

- **Light Blue:** Industry Associations
- **Orange:** Standards Making Bodies and R&D Consortia
- **Red:** Non-governmental Organizations, Safety Advocacy Groups, Legislative Bodies, Labor Organizations
- **Dark Blue:** Pipeline Operators and Service Providers
- **Green:** Pipeline Safety Regulatory Agencies, Safety Boards.

The framework introduces the concept that these organizations should have an active role in a VIS system and/or at a minimum be a consumer of the available information and ongoing efforts and result of the process. The framework in Figure 2 also illustrates that there are various information sharing processes and activities within the stakeholder groups represented by each oval as well as across common stakeholders and to some extent across different types of stakeholder groups. As an example, there is active and ongoing interaction and information sharing and collaboration on safety issues amongst Operators, Service Providers, AOPL, PHMSA, GTI and PRCI relative to industry research and development to improve technology and ILI technology. In the context of VIS and Figure 2, this sharing activity and the results of such sharing should be more transparent

across the stakeholder groups and move beyond just industry stakeholders to the entire universe and open pathways for those not currently aware of such information sharing and not participating in the sharing to participate. The pipeline safety VIS framework should include the means, processes and systems for sharing data, information, and knowledge among all industry and public stakeholders.

4. Scope

Scope and Audience

The scope of this report is specific to gas transmission, gas distribution, and hazardous liquids pipelines that are in operation within the United States. This report does not address gathering pipelines or the siting, permitting, and inspection of new gas or hazardous liquids pipelines. The VIS WG broadened the scope of its work beyond simply voluntary information sharing between pipeline operators and their in-line inspection (ILI) vendors and included distribution in the scope, since 80 percent of the serious federally reportable incidents occur on distribution system facilities. Any reference in this report to “pipelines” or “pipeline operators” includes distribution lines and distribution operators.

The audience for the report is narrowly the Secretary of Transportation and U.S. DOT/PHMSA staff, and more broadly, anyone interested in safety, governance, and technology related to the gas and hazardous liquids pipeline industry, including pipeline operators, pipeline inspection organizations, inspection technology service providers, public safety advocacy groups, university research institutions, tribal governments, state public utility commissions, state pipeline safety inspectors, labor representatives, worker health and safety advocacy groups, environmental advocacy groups, and others.

Strategic Mission Statement

The VIS WG mission statement is to provide the Secretary of Transportation with independent advice and recommendations on the development of a secure, VIS that encourages collection and analysis of integrity inspection and risk assessment information and other appropriate data to improve pipeline safety for gas transmission, gas distribution, and hazardous liquid pipelines in a measurable way.

The overarching goal of the development of the VIS is to provide a collaborative environment that is proactive in nature, facilitates continuing safety improvements and technological advancements, and leads the industry to actionable outcomes. Considering the barriers and safety challenges facing the pipeline industry, this recommendation report focuses on issues of governance, security and confidentiality, stakeholder participation, regulatory environment, and funding that should be addressed to ensure the VIS is successful and sustained.

With this Report, the Committee recommends to the Secretary of Transportation that a pipeline VIS be stood up and a VIS Hub created. The Committee also recommends that steps be taken to ensure that pipeline operators and other stakeholders voluntarily participate in the system and share information and data to the VIS Hub now and well into the future. The report also provides a set of supporting recommendations and additional considerations for the Secretary to consider in developing a pipeline VIS that will be a trusted repository for and a source of pipeline integrity information that individual operators can consistently use to proactively eliminate pipeline risks towards zero incidents and accidents. The scope of this report is governed by PHMSA’s jurisdictional framework.

Guiding Principles

The Strategic Mission, Goals, and Objectives of the VIS WG were approved unanimously by the Committee on February 28, 2018. They provide initial framing on how a pipeline safety VIS program might be governed, who might use it, what data sharing processes might be used, how

proprietary information can be protected to ensure industry and public buy-in, and possible funding mechanisms. This document is issued exclusively as a recommendation and is not indicative of current PHMSA regulations. This document is the U.S. DOT property and is to be used in conjunction with official PHMSA duties. As PHMSA continues to develop, examine, and revise the VIS policies and procedures, the goals, objectives, and recommendations may be modified and the scope may be broadened or narrowed; however it is intended that the underlying mission of developing a secure, voluntary pipeline VIS that encourages collection and analysis of integrity inspection and risk assessment information and other appropriate data to improve pipeline safety in a measurable way should remain consistent. In addition, the Committee recommends that the following guiding principles be used in leading future implementation of these recommendations:

1. Submission of safety sensitive data to the VIS is always voluntary;
2. Transparency and open, honest communication is paramount in how data are managed and utilized;
3. Analysis and issues addressed are approved by a governing multi-stakeholder VIS Executive Board;
4. Procedures and policies of VIS are based on a collaborative governance model to be finalized by the VIS Executive Board;
5. Operator and service provider data are synthesized and de-identified; and,
6. Synthesized data and analyses are used solely for advancement of safety.

Alignment with Safety Management System (SMS)

An SMS is a comprehensive management system designed to manage safety elements in a workplace. It includes policy, objectives, plans, procedures, organization, responsibilities and other measures that encourage information sharing and promote better safety practices across the industry to achieve the best possible safety outcomes. SMS is used in industries that manage significant safety risks, including aviation, petroleum, chemical, electricity generation, nuclear, and others.

SMS also includes a comprehensive look at everything that an operator does and ties every action to a process that is connected to a safety outcome. The essential components for a successful SMS system are data analysis and sharing. SMS is useful for investing in predictive analysis capabilities, improving integrity verification procedures and utilizing data to stay ahead of technical developments that could pose new and unforeseen safety risks. This approach is in alignment with how the VIS WG has approached developing the report and recommendations. A commitment to SMS will assist pipeline operators in managing the multiple facets of pipeline safety, fundamentally changing the day-to-day operations by incorporating a focus on safety into absolutely every single aspect of a pipeline management system.

Throughout Committee deliberations and development of this report alignment with API's RP 1173 on SMS was seen as a central point of agreement in how to create an effective and successful

VIS. Specifically, the VIS WG agreed that an effective and successful pipeline VIS should meet the following five minimum criteria:

1. Exchange of relevant pipeline safety information;
2. Share lessons learned;
3. Leverage best practices;
4. Engage with stakeholders; and,
5. Foster continuous improvement.

5. Methodology

The VIS WG Recommendation Report was drafted with the goal of providing recommendations and advice for the establishment of a voluntary information-sharing system and process that will allow efficient risk analysis to minimize near misses, pipeline malfunction, incidents and accidents of varying levels of seriousness.

To meet this goal, the Committee developed an outline and milestone plan and formed seven subcommittees to consider different aspects of the tasks within the jurisdiction of the Committee and to complete the write-up of the final recommendation report. The subcommittees include: (1) Mission and Objectives (Governance); (2) Process Sharing; (3) Competency, Awareness, and Training (formerly Training and Qualifications); (4) Technology and R&D; (5) Best Practices; (6) Regulatory, Funding, and Legal; and, (7) Reporting. Each subcommittee developed a task statement and, as necessary, invited SMEs to present and join subcommittees. The subcommittee membership list and summary of task statements are available in the appendices.

The subcommittees focused on a wide variety of issues: evaluation of existing safety procedures; the best and most effective ways of sharing data and information through active participation of stakeholders; building secured system(s) architecture that contribute to continuous improvement of technologies and methodologies; identification and validity of information that is subject to sharing among various stakeholders. All tasks were deliberated internally within the subcommittees and extensively during the VIS WG Parent Committee regular meetings.

To identify recommendations for the development of a voluntary information-sharing system, the Committee examined current pipeline safety regulations; analyzed data on pipelines regulated by PHMSA to understand the types of pipeline data currently collected; compared and analyzed accident, injury, fatality, and other trends; met with industry experts on current voluntary information-sharing systems outside of and within the pipeline industry; and, analyzed safety practices. The evidence obtained provides a reasonable basis for the Committee's final recommendations.

Over the course of 10 public meetings and numerous subcommittee meetings, the Committee and subcommittees gathered information, performed research, and collaborated with pipeline and technical experts. The Committee deliberated and achieved a general consensus on a set of primary recommendations and a set of supporting recommendations and specific considerations that are provided in this Report and hereby submitted to the Secretary for consideration.

6. Benefits and Barriers of Information-sharing System

Sharing Pipelines Safety Information

The Committee unanimously recognized that significant safety benefits and technology improvements could be realized from a VIS that is designed and managed to encourage participation and contains information representative of the variety of pipeline integrity efforts currently undertaken by operators. A phased development of the VIS may be a practical necessity but is allow for the following data types:

1. Data from the use of all integrity assessment technologies (ILI, DA, HT, Other Technology) and in-the-ditch anomaly measurements and characterizations, (PSMS – 9)
2. Data from preventative and mitigative efforts, such as line locates and leak surveys.
3. Data relevant to process improvement, including lessons learned from reportable incidents and accidents¹, near misses (PSMS – 9), and Operator and Service Provider Best Practices

The incorporation of these types of data would encourage participation and maximize the benefit and utilization by key stakeholders including; the Public, Pipeline Safety Advocates, Regulators, Operators and Service Providers.

Benefits of Information Sharing

A VIS would enhance pipeline safety by enhancing process and information sharing among pipeline integrity stakeholders and by motivating continuous improvement efforts. These changes would be of great benefit in supporting the pipeline industry's efforts to reach the goal of zero accidents and incidents.

Process and information sharing efforts currently exist among the various stakeholders in pipeline integrity. As the VIS is developed, consideration for how to ensure actionable, definitive or measurable outcomes from the processes and information shared will enhance confidence in and the benefits gained. The types of information sharing that occur can be described in four ways:

1. **High Value Sharing** – The sharing process involves an increase in knowledge, process improvement or best practice at a company or entity level. To this end the sharing should target the right side of the value (data → information → knowledge → understanding → wisdom). This type of sharing involves experiential or knowledge transfer and/or collaboration on common problems or issues to reach a desirable end state sooner or more efficiently than an individual company might otherwise accomplish on their own.
2. **Deliberate Sharing**- The sharing process is via active engagement between one or more parties and is a pitch/catch relationship; at a minimum at least one party is learning/gaining knowledge or wisdom from another or they are engaged in process improvement.

¹ “Incident” is the term of art used for gas pipelines, whereas “accident” is the comparable term used for hazardous liquid pipelines (refer to 49 CFR 191.3 for gas and 195.50 for hazardous liquid pipelines.)

3. **Actionable Sharing**– The sharing process generates action by one or more parties and processes or practices change within that entity (industry or service providers).
4. **Measurable Sharing**– The sharing process as well as the results of the improvements/actions are measurable up to and including measurable safety improvement.

Sharing information through the VIS in any of these ways generates action by one or more users of the system and in the best case will create better outcomes and safety improvements to processes and/or practices within and across the pipeline industry.

In addition to enhancing information sharing, the ability to access and analyze the suggested sources of pipeline integrity data is expected to inform varied stakeholders and identify needed improvements or “gaps.” This awareness is expected to motivate a “Virtuous Cycle” where the stakeholders’ priorities reinforce a cycle of continuously improving technology, threat identification and pipeline integrity assessment. A VIS that shared information with pipeline operators, service providers, regulators, universities and research institutions, and the public about the relative performance of the various integrity assessment technologies and processes, could fuel a continuous improvement cycle for the pipeline integrity stakeholders.

Currently, the public has little visibility into pipeline integrity efforts or effectiveness. Increasingly, the public is concerned about the safety and environmental impacts of existing and proposed pipelines. A VIS could enhance awareness of the integrity verifications being performed and the effectiveness of these assessments. Although the current public risk is relatively low, continuous improvement to integrity assessments would result in increasing public safety and decreasing environmental risk. The improved understanding could reduce public concern about pipeline operations but may also lead to pressure to utilize/develop new technology, enhance processes/procedures or modify/enhance regulations.

Universities and research institutions are working to identify potential opportunities to apply the insights from their research endeavors or to support applications for research funding. An effective VIS should enhance awareness of the limitations associated with current pipeline integrity assessments. Universities and research institutions could leverage these limitations to promote current research endeavors or justify research funding. The resulting improvements could lead to continuous improvement of pipeline integrity assessment technologies to the extent of additional needed research and development (R&D).

Service providers would make their investments with greater confidence concerning the gaps they were trying to fill and would be further motivated by the awareness of their performance as compared to other technologies or other de-identified service providers. This awareness would be a strong motivation for quality improvements and/or technological investments.

Operators assessing the integrity of their pipelines are faced with a wide array of integrity threats and potential tools/technologies from multiple service providers to choose from. There do exist industry standards/best practices and needed guidance on selecting and validating available tools/technologies and their applicable service providers. The process of tool/technology testing and service provider validation can be significantly enhanced by having the applicable data shared

and available in a VIS. A VIS with metrics on the effectiveness of technologies for identifying specific threats will enhance an operators' decision-making when it comes to tool/technology selection as well as helping to establish confidence in associated service provider.

In addition, Operators would be more aware of threats identified during other operators' integrity assessments and be able to assess the frequency of their actionable anomalies as compared to the frequency of other de-identified operators. This information would help them to better assess the effectiveness of their integrity management programs and their service provider or the operating/environmental conditions that may be affecting their performance. Once identified, Operators would be motivated to seek technological or performance improvements that addressed the gaps identified and the result would be improved identification of integrity threats.

Operators, service providers, and regulators may also see benefit from a data sharing system that could help inform the technical analysis necessary to support permit applications, whether based on existing or new technology, and changes to regulations, thereby offering a potential route to streamline these processes.

Finally, Regulators could see benefit in their efforts to determine the appropriate response to new threats, emerging technologies and unique operator needs in response to special permit applications and changing operating conditions. The technical analysis required to evaluate new threats, special permit applications and state waivers can be time consuming, costly, and of limited applicability. A VIS should provide the data warehouse to assess the magnitude of new threats, the effectiveness of new technologies and the justification for special permits or waivers.

The gathering and sharing of data on tool/technology performance in real-world environments (e.g. 'live' pipeline operations) can thus be used to power a virtuous cycle that harnesses and focuses the existing dynamics around the pipeline industry to boost the process of technology improvement and adoption, Figure 6.

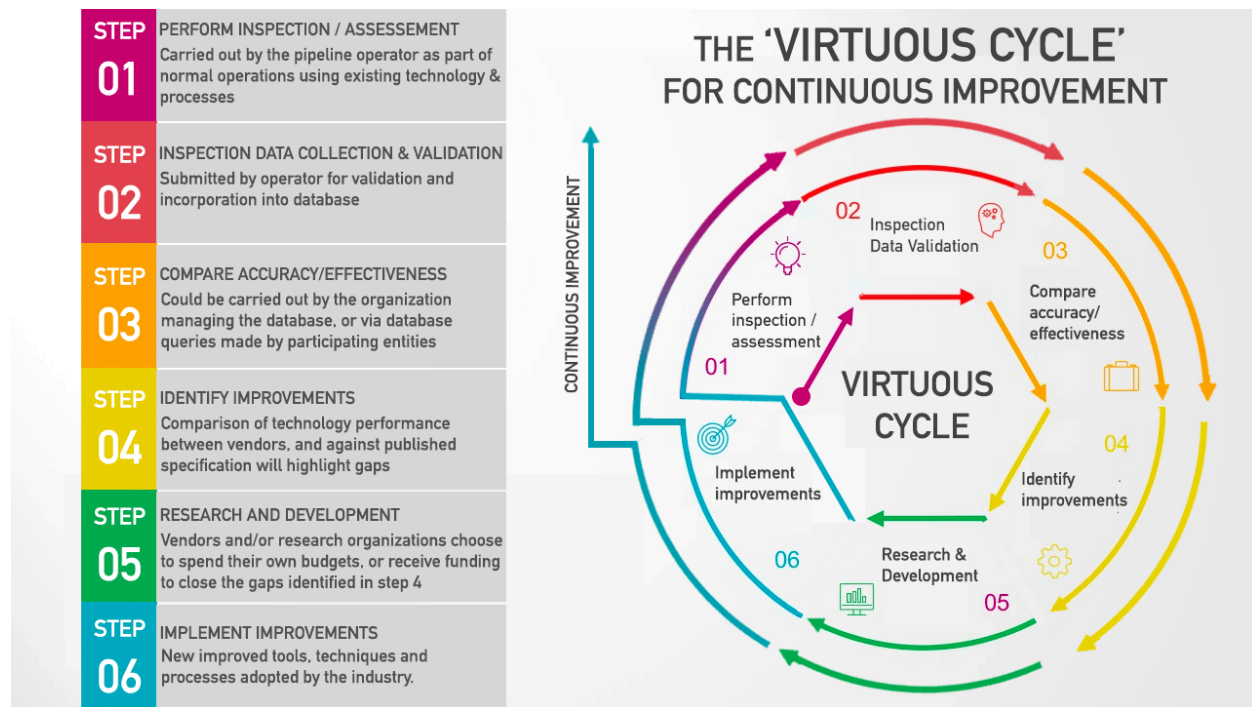


Figure 6 – Virtuous Cycle of Continuous Improvement

With the likelihood that an effective VIS could provide impetus for continuous improvement, consideration should be given to development of strategies to emphasize the value of data that indicates opportunities for technology improvement or helps identify technologies in need of additional development.

This virtuous cycle would be initiated for many different integrity assessment tools/technologies and processes, including but not limited to in-line inspection, direct assessment, non-destructive examination, leak detection, mark and locate, hydro testing, geohazard identification, near misses, etc.

Some of the anticipated areas of continuous improvement include:

1. Industry consistent/best in class application and deployment of existing technology whether it be ILI tools, DA, hydro testing, leak survey, line locating, etc.
2. Operator/Industry gap analyses that improve existing technology capabilities, such as unique morphologies or interacting threats
3. Development of new and/or improved technology(ies) (sensors, analytical techniques) via Operator/Industry gap analysis
4. Identify unique (low probability, high consequence) integrity threats and approaches to assess susceptibility and threats (Operator transparency relative to emerging/found threats: “I was not expecting to find this but we did, you might consider that”)

Future refinement and maturity of the pipeline VIS could lead to additional benefits, including:

1. Offering enhancement and improvement of PHMSA data used for analysis, evaluation,

- inspection prioritization and NPMS.
2. Enhance PHMSA's ability to share lessons learned from accident/ incidents and operator responses.
 3. Improving consistency in pipeline safety enforcement.
 4. Improving quality and consistency of safety data amongst/across States.
 5. Creating opportunities for industry collaborations to increase cooperation and share engineering standards, specifications, operating procedures, and integrity management practices including welding procedures, coating procedures, line pipe specifications, among others.

A more detailed discussion of how the virtuous cycle could work in practice is provided in Appendix Z – 'How voluntary information sharing could contribute to continuous improvement in pipeline safety' with specific case studies for ILI, ECDA, Nondestructive Evaluation (NDE) and Lessons Learned.

Barriers to Information Sharing

While information sharing is a positive and desirable practice, several barriers exist to effective information exchange within a VIS. The foundation to overcome any such barriers are rooted in a sound governance model, statutory protections, and the willingness and dedication of participants to work cooperatively with one another.

In response to the Congressional mandate, the VIS WG identified the following Barriers to establishing a successful VIS:

Barrier Number 1: The absence of existing PHMSA authority and related governance models for a VIS.

It is not clear that PHMSA currently has the authority to establish and maintain a VIS. Nor is it clear that PHMSA has the authority to enter into MOUs and other contractual arrangements that will provide regulatory protections to pipeline operators that are necessary to establish and operate a successful VIS. The lack of a clear governance structure for a VIS, with clear rules for participation and related protections, is a real concern for pipeline operators. In addition, pipeline operators fear that any "voluntary" program might be transformed at a later date into a "mandatory" program.

Barrier Number 2: The lack of sufficiently strong legal protections for personal, confidential, proprietary, and other sensitive information that is part of or related to the voluntary submission of information to a VIS.

Participation in the VIS is highly unlikely unless the participants are confident that information submitted to the VIS will be protected from disclosure, including personal confidential information, confidential proprietary business information, commercially sensitive information, sensitive pipeline security information, information that has not been properly de-identified, information that could be used by PHMSA or other agencies for enforcement action, and information that could be used in litigation.

Barrier Number 3: The ability of any party to obtain voluntarily submitted information through FOIA.

It is a reality today that pipeline operators have a reasonable fear of potential FOIA release of any voluntarily submitted information, which could lead to compromised anonymity, loss of confidential and proprietary information, litigation, reputational damage, and other potential negative consequences. The fear by pipeline operators of such disclosure is a strong barrier to participation in any VIS.

Barrier Number 4: The potential that voluntarily submitted information will be used by PHMSA or other federal and state agencies to initiate enforcement or other punitive actions.

It is highly unlikely that pipeline operators will voluntarily share information due to the reasonable fear that the information could be used by PHMSA or other governmental agencies for enforcement actions.

Barrier Number 5: The potential that voluntarily submitted information will be used by litigating parties in discovery or for admission into evidence in federal, state, local or tribal litigation.

No reasonable pipeline operator will voluntarily share information with a VIS, or any other entity or person for that matter, if there is a risk that the volunteered information could be obtained and used by adverse parties in litigation.

Barrier Number 6: The absence of an existing funding model to stand up and sustain a working VIS.

Adequate funding is essential to stand up and sustain a VIS program to ensure its success in delivering the intended benefits. PHMSA, the pipeline industry, individual pipeline operators, pipeline employees, ILI service providers, pipeline contractors, and all pipeline safety stakeholders will reap the many benefits of a properly funded, robust VIS, especially improved pipeline safety and fewer incidents.

Removing the Barriers: General Principles

- Assurance that volunteers and volunteered information will remain anonymous, confidential, and not subject to FOIA release
- Assurance that volunteered information will not be used for enforcement
- Assurance that volunteered information will not be used in litigation
- Provide specific protections applicable to: entities; individual persons; and information/data
- Exclude the following from eligibility for the protections:
 - Criminal activity
 - Intentional falsification
 - Actions involving alcohol or controlled substance abuse
- The VIS will not protect from disclosure information that must be submitted to PHMSA by regulation, such as information contained in PHMSA F 7000-1 Accident Reports

Types of Data and Information

Early in the VIS WG's efforts, it was apparent that a VIS for the pipeline industry could provide greater safety and improvement benefits if it wasn't limited to pipeline ILI and the resulting direct examination data. As evident in other industry voluntary information systems such as the airlines and railroad, capturing and sharing a wide range of data using appropriate standards and formats is an important component to support continuous improvement in pipeline integrity methods that will result in safer, more reliable pipeline systems. The VIS WG proposes that the VIS be expanded to include data and information that would support the enhancement of integrity management processes (IMP) in general for both transmission and distribution pipelines.

The Committee identified the following types of data and information that should be considered when implementing a pipeline VIS:

Data from the use of integrity assessment technologies

The variety of threats and challenges caused by pipeline operating conditions and configurations, have necessitated the use of several different technologies to assess pipelines' integrity. These Include:

- in-line inspections (MFL, EMAT and Geometry)
- direct assessment (external corrosion, internal corrosion and SCC)
- pressure testing
- other assessment technologies such as guided wave ultrasonic inspections, and
- non-destructive examinations

The quantity and variations in data types and formats will be a key challenge for the implementation of a VIS. During the Committee's efforts, the SMEs recognized that consistent data fields and formats for the data to be collected and shared, is essential to perform meaningful analysis. Examples of suggested data fields and formats, along with possible analyses from the data are detailed in Appendix XI – 'Integrity Assessment Data and Analyses'.

Data from preventative and mitigative efforts

A large source of data that could provide significant safety benefits are the variety of preventative and mitigative efforts implemented by Operators. These efforts include but are not limited to:

- Locate and Mark
- Leak detection
- Geohazard identification and notification
- Repair methods

Discussion of these efforts and suggested data analyses is contained in Appendix XII – 'Preventative and Mitigative Efforts Data and Analyses'.

Data Relative to Process Improvement

There are currently many different venues in which the public, regulators, operators and service providers discuss learnings leading to process improvement. These include various public and regulatory websites, regulatory notifications and industry associations. By incorporating these data types into the VIS, these valuable learnings could be compiled and accessible in one location. Consideration could be made to include the following data which would facilitate better awareness and analysis of:

- Sharing of enhanced processes and practices i.e. solutions to known problems including experience with new data/information technology to improve detection and characterization
- Identification of current gaps in technology and/or analytics that need to be closed
- R&D Projects in progress to address gaps
 - Lessons learned with respect to execution of the various integrity management and O&M processes, individual contributor (SME) observations, improved analytics, unexpected outcomes/observations
- Near Miss Data and Information Operator Actions to Prevent Reoccurrence
- Operator and Service Provider Best Practices/Procedures
- Post incident related RCFA's and subsequent company/regulator learning

Effective Measures to Sharing Pipeline Safety Information

The types of data and information discussed and the who and why of sharing described in the previous sections are critical for a data sharing initiative. However, to facilitate data sharing, the VIS should also establish clear processes for sharing this data and information including: rigorous data definition standards, data gathering protocols, software infrastructure, database architecture, intellectual property protection and data sharing protocols.

As a real-world example of an effective information sharing initiative within the pipeline industry, consider the Pipeline Research Council International's (PRCI) NDE-4E project, "In-line Inspection Crack Tool Performance Evaluation". The NDE-4E project collected data from 10 operators with paired ILI and ITD measurements, producing over 60,000 records; these records were used to assess ILI tool performance for measuring axial crack features in pipelines. This project included several key elements that would be useful in a broader data sharing initiative: the development of data specifications, data gathering protocols, de-identification techniques and data security. The learnings from PRCI NDE-4E are summarized below:

Data Specification: The integrity-related data collected by operators is not standardized across industry. As a result, each operator defines a specification necessary for internal use. When sharing across companies, interpreting the data and producing aggregated statistics requires the data be validated to a standard data specification to ensure it is consistent across sources. This can include ensuring correct and consistent spelling for categorical data types, data formats, data types and measurement units. The data specification used in the PRCI project can be found in appendix A of the Phase I report, (Skow et al, 2015). Two examples from the project include:

- Feature type called during NDE inspection: there is a wide variety of categories used by NDE field technicians to describe a pipeline feature. For such data to be useful for industry-wide sharing, such nomenclature must be consolidated and standardized. For example, an axial flaw measured by an ILI tool may be categorized by NDE field staff as an: arc strike, artificial anomaly, axial crack, axial corrosion, geometric reflector, weld anomaly, gouge, hook crack, dent with crack, lack of fusion, longitudinal weld crack, pipe mill anomaly, stress corrosion crack, hydrogen induced crack. Due to the variety of terms and the range of interpretations of each, data aggregation must be done carefully to ensure the resulting conclusions are consistent and accurate.
- The relationship between ILI and field records: one record from an ILI tool may be associated with a single field record (one-to-one relationship) or multiple field records (one-to-many relationship). Similarly, many-to-one and many-to-many relationships are possible.

This occurs due to the inherent uncertainties in the measurements and due to differences in the protocols used to interpret each measurement technology. For example, the rules to determine ‘interacting features’, those that should be grouped into a cluster, are different for ILI-measured features and for field-measured features. As a result, the reported values and groupings may differ between technologies measuring the same feature, even if both measurements are highly accurate. In this case, a direct comparison between the field report and the ILI report to determine measurement performance is misleading.

Data gathering protocols: In the data collection step, participating companies were provided with the data specification sheet describing the minimum data required as well as the supplementary data that would enhance the analysis. After review by technical personnel at the operating company, a strategy to transform the company records and complete the data collection was formed involving co-operation between the PRCI project team and the operator’s technical team. In some cases, a PRCI project team member provided on-site assistance with data collection, extracting data directly from the company’s data systems. This enhanced data consistency across operator data sets and reduced the efforts required from each operator to participate in the PRCI project.

Data processing and validation: Data collected from participating companies was processed and validated to ensure consistency with the specification sheet. A summary of any incomplete or invalid data records was produced, and participating companies were contacted to verify and, if possible, update or correct those data records. Similarly, data outliers were reviewed to ensure accuracy. Data outliers were found to sometimes be data errors, in other cases, they revealed key insights on measurement performance.

De-identification techniques: Records often contained information that could be used to identify the operator from a single record. To ensure anonymity, these fields were scrubbed to remove the identifying elements before they were added to the project database. Examples include pipeline name, geographic coordinates, and the names of personnel at the company, field comments identifying location or attributes and a naming convention used for dig sites or feature numbers. In addition, the names of companies were not stored in the database. Instead, the companies were

labelled ‘A’, ‘B’, ‘C’, etc. When the reports were produced, several PRCI member companies reviewed the analysis to ensure that the identification of a member company could not be deduced from the presentation of results. In most cases, aggregated data provided adequate protection for this.

ILI tool validation: A simple comparison between field and ILI reported values is not sufficient to assess ILI tool performance. In some cases, the ILI tool and the field are measuring different phenomenon and a direct comparison is not appropriate. One example is in comparison of crack lengths. The ILI tool has a threshold depth, above which, a crack is not measured or reported with consistency. Shallow portions along the axial length of the crack are not reported by the ILI tool. In contrast, the field technique used to measure cracks involves magnetic particle penetration of the crack. The surface breaking length is measured and reported in the field NDE report. As a result, the correlation between the field and the ILI tool reported lengths can differ significantly, even when both measurements are accurate.

Measurement Accuracy: When one measurement is used to validate a second measurement, the accuracy of each measurement must be considered. Attributing the variance in measurement to the first of two measurement techniques leads to an overly-pessimistic assessment of performance of the first measurement technique. Depending on the purpose of the analysis, a pessimistic assessment could lead to incorrect assumptions regarding the value of the measurement activity and its role in integrity management processes.

8. Components of an Effective Pipeline Safety Voluntary Information-sharing System

The VIS WG developed the following three Primary Recommendations to the Secretary are essential to delivering the benefits of improved pipeline safety and safety management systems through the use of a voluntary information sharing system. The Committee believes that if the three Primary Recommendations are accepted and implemented, the Nation will reap the benefits of improved pipeline safety and pipeline safety management systems. The Committee also believes that if these three Primary Recommendations are rejected or not realized, the VIS effort would not be successful.

Primary Recommendation 1: Congress should authorize and stand up a VIS, to include participation by pipeline operators, PHMSA, and other pipeline safety stakeholders, as more fully described in this report.

Primary Recommendation 2: Congress should enact legislation to provide confidentiality, non-punitive, and other legal protections to pipeline operators that participate in the VIS, as more fully described in this report.

Primary Recommendation 3: Distribution System information sharing must be included in the VIS program if meaningful industry incident reduction is to be achieved.

Regulatory, Funding, and Legal Infrastructure (RFL)

The RFL subcommittee recognized the need to establish a VIS that encourages the exchange of pipeline safety information and enhances risk analysis as a critical element of SMS that are now being implemented by pipeline operators. The RFL subcommittee further recognized the need to protect safety-related, security-related, proprietary and other sensitive information to encourage and allow pipeline operators, employees and service providers to share this information with the industry, regulators and others.

The RFL subcommittee has researched and analyzed potential solutions for overcoming the Barriers described in Section 6. Building upon lessons learned from voluntary information-sharing systems established in the aviation and other industries, the RFL subcommittee believes that protecting voluntarily shared information about pipeline safety from public disclosure, and from use in regulatory enforcement actions, litigation and employee disciplinary actions is a prerequisite to operator participation in a successful VIS program. The RFL subcommittee also believes that such protections are consistent with a SMS philosophy and with PHMSA's pipeline safety responsibilities. There are similar protections in place for aviation-related information sharing.

The RFL subcommittee also believes that those fundamental protections for voluntarily shared information are best secured through self-executing statutes expressing the clear intent of Congress to protect that information for the ultimate purpose of improving pipeline safety in the U.S. Such self-executing statutory protections would be binding on all persons and entities as the law of the land, with no further action required, such as lengthy rulemaking proceedings.

Sustainable Funding

A sustainable funding strategy is essential to the development of a VIS and is necessary to accomplish program goals. While sustainable funding can be a challenging and complex process, being open to new ideas and planning for the long-term future of the VIS is vital. The VIS WG recommends that PHMSA should provide initial seed and sustaining funding. The Secretary in consultation with stakeholders should explore sustainable funding sources including public-private partnerships.

The RFL Subcommittee recognizes the following facts underlying its Recommendations for Legislation:

1. Industry, regulators and other pipeline safety stakeholders express widespread agreement that a VIS should be established for the exchange of pipeline safety information that will lead to enhanced risk analysis, improved pipeline safety, and continual improvement of Pipeline SMS.
2. The effectiveness of a VIS will be directly proportional to the percentage of participation by pipeline operators nationwide. A higher participation level produces more representative information and more reliable analysis, while a low level of participation will quickly lead to failure of the VIS.

3. Building upon lessons learned from voluntary information sharing systems established in the aviation industry, it is clear that pipeline operators and their employees will refuse to participate in a VIS at any level unless they are provided with strong protections to ensure anonymity, confidentiality, and a safe harbor from punitive enforcement actions, retaliation, and litigation.
4. The fundamental and essential protections required to encourage VIS participation are best secured through self-executing statutes expressing the intent of Congress to provide those protections for the ultimate purpose of improving pipeline safety in the U.S.

SUPPORTING RECOMMENDATIONS

| | |
|---|--|
| <p>Supporting Recommendation R-1</p> | <p>Authorize and establish legislation for a VIS governance structure.</p> <p>Congress should enact legislation during the PHMSA reauthorization process in 2019 authorizing PHMSA to establish a secure, confidential Voluntary Information-Sharing System (VIS) for the purpose of encouraging the voluntary sharing of pipeline safety information by pipelines and distribution companies and their employees, labor unions, contractors, ILI vendors, and non-destructive evaluation experts, with PHMSA, representatives of state pipeline safety agencies, non-governmental organizations, and other pipeline stakeholders, for the purpose of improving pipeline safety for natural gas transmission, natural gas distribution and hazardous liquid pipelines. The proposed legislation should state clearly the intent of Congress with respect to the following:</p> <ol style="list-style-type: none"> a) The VIS is intended to be an entirely new paradigm for analyzing pipeline safety issues that is separate and apart from, but complementary and additive to, existing PHMSA pipeline safety programs, in particular Safety Management Systems b) The VIS should be established and implemented to the maximum extent possible under existing PHMSA authority, with the goal of avoiding unnecessary and time-consuming rulemaking. c) Other than with respect to the VIS incentives described below, the VIS is not intended to change current PHMSA enforcement, regulatory programs or other PHMSA initiatives. d) The VIS is intended to develop its own governance structure, and to create as many VIS programs as it deems necessary to address various areas of pipeline safety. |
|---|--|

| | |
|---|--|
| | <ul style="list-style-type: none"> e) The VIS is intended to allow PHMSA, all pipeline and distribution companies, and all pipeline stakeholders, to draw upon anonymous, de-identified safety related information that is currently kept confidential and utilized by individual operators to improve pipeline safety, but which information is not otherwise shared due to confidentiality concerns. f) The VIS system is intended to enable all industry participants to share the rich source of safety information often held only by an individual operator, which will enhance Safety Management Systems across the industry. g) The VIS system analysis of de-identified, voluntarily shared information is intended to deliver tangible, measurable safety benefits to industry participants, PHMSA, and other pipeline safety stakeholders. h) The VIS system's collaborative approach to collecting and analyzing safety related information is intended to enhance pipeline Safety Management Systems, delivering benefits to the public, including a reduction in pipeline releases and related personal injuries and damage to the environment. i) The VIS system is intended to be based solely on voluntary participation. The VIS system shall not be transformed into a mandatory program, in whole or in part. j) The VIS is intended to encourage the widest possible participation by industry. Such participation will only be achieved by providing confidentiality protection for all information submitted to the VIS, along with the VIS incentives described below. It is the intent of Congress to ensure that those protections and incentives are in place. Without such assurance and incentives, operators will not voluntarily share information, thereby depriving the nation of associated improvements in pipeline safety and Safety Management Systems. |
| <p>Supporting Recommendation R-2</p> | <p>Protect VIS Information from disclosure. Congress should enact legislation providing for the protection of safety, security-related, proprietary and other sensitive pipeline safety information provided to the VIS system, for the purpose of encouraging and allowing voluntary safety information sharing by industry. The</p> |

| | |
|--------------------------------------|--|
| | <p>proposed legislation should clearly state the intent of Congress with respect to the following:</p> <ul style="list-style-type: none"> a) It is intended that neither PHMSA, nor any federal, state, local or tribal agency, nor any person having or obtaining access to the information voluntarily submitted to the VIS system, shall release or communicate that information to any person outside the VIS governing body, with the sole exception being the publication of reports by the VIS or PHMSA based on analysis of de-identified information and safety related findings that the VIS governing body in its sole discretion determines to publish or authorize PHMSA to publish. b) The intent of Congress is to encourage wide-scale industry participation in the VIS system by entities and individuals in order to further the goal of improving pipeline safety in the United States, and that goal can only be accomplished by creating strong confidentiality protections for information voluntarily submitted by those entities and individuals to the VIS system. |
| Supporting Recommendation R-3 | <p>Exempt VIS information from FOIA release.</p> <p>Congress should enact legislation providing that PHMSA shall be exempt from releasing under the provisions of the Freedom of Information Act any information that was voluntarily disclosed by any company, organization or person to the VIS.</p> |
| Supporting Recommendation R-4 | <p>Incentives for Voluntary Sharing of Information.</p> <p>To encourage the voluntary submission of information to the VIS, Congress should enact legislation providing that neither PHMSA nor any other federal, state, local or tribal agency, nor any entity or person shall initiate enforcement action, punitive action, or litigation (Adverse Actions) against a pipeline operator based solely on information that has been voluntarily provided to the VIS. This prohibition is not intended to limit PHMSA or other parties from Adverse Actions against pipeline operators based on facts established independently and separate from the VIS process, with the exception of facts arising out of the VIS incentives outlined below, in which case no Adverse Actions shall be permitted.</p> |

| | |
|---|--|
| | <p>a) ILI, NDE and Dig Confirmation. Facts arising out of collaboration of the pipeline operator and its ILI and NDE vendors that are voluntarily reported to the VIS, including if the facts reveal a safety related condition or violation of the operator's procedures, would not subject to any Adverse Actions, provided that the operator promptly prepares and commences a written corrective action program within 30 days following discovery by the operator. In the event that PHMSA, or any other agency or party, during that 30 day period or at a later date, becomes aware of these facts through an inspection or otherwise, no Adverse Actions shall be taken, provided that the operator is preparing or implementing its corrective action program during the 30 day period, or thereafter has implemented or completed its corrective action program.</p> <p>b) Near Misses. Facts arising out of or relating to near misses that are voluntarily submitted to the VIS.</p> <p>c) Non-reportable Releases. Facts arising out of or relating to non-reportable releases that are voluntarily submitted to the VIS.</p> <p>d) Unusual Events or Conditions. Facts arising out of or relating to non-reportable unusual events or circumstances that are voluntarily submitted to the VIS.</p> <p>Operators are prohibited from taking any retaliatory action against its employees or contractors who report to the operator any potential violation of PHMSA regulations, or any matter that may be related to facts arising out of the incentive scenarios described above.</p> |
| <p>Supporting Recommendation R-5</p> | <p>Prohibit the use of VIS information in litigation. Congress should enact legislation providing that any information voluntarily submitted to the VIS shall not be subject to discovery or admitted into evidence in any federal, state, local, tribal, or private litigation or other proceedings. This prohibition does not limit discovery or admissibility into evidence in any civil or criminal proceedings based on facts independently and separate from the VIS process.</p> |

| | |
|---|--|
| <p>Supporting Recommendation R-6</p> | <p>Provide adequate and sustainable funding for the VIS. PHMSA should provide initial seed and sustaining funding. The Secretary in consultation with stakeholders should explore sustainable funding sources including private partnerships.</p> |
|---|--|

Governance Structure

A sound governance model is instrumental in implementing a VIS that is effective, provides transparency, and ensures proper oversight. Such a model will enable the executive leadership to organize the structure of the VIS body and the mechanisms by which governance is implemented. By the same token, the lack of a governance model may lead to an incomplete or faulty governance structure, or to inconsistencies, overlaps, and gaps among governance mechanisms. Such inadequacies could lead to a failed VIS. In order to promote and encourage participation from across the pipeline industry, a VIS should provide for transparency and open, honest communication of industry capabilities, processes, procedures, technologies, improvements and safety results relative to the value that the sharing process generates.

A VIS for the pipeline industry can standardize how and what information is reported and shared. Information can be used to improve industry standards, at each end of the industry, and prevent a potential pipeline accident or incident. There is a need to establish a VIS that encourages the exchange of pipeline safety information and enhances risk analysis as a critical element of Safety Management Systems. These systems are currently being voluntarily implemented by individual pipeline operators in silos, where a VIS for the industry as a whole will benefit all pipeline safety stakeholders. A governance model for a VIS will protect safety-related, security-related, proprietary and other sensitive information to encourage and allow pipeline operators, employees and service providers to share this information with the industry, regulators and others.

The intent of the supporting recommendations is to provide guidance to create an innovative information sharing system that improves industry standards, standardizes how information is shared, and makes reporting error simpler and less obstructive. The goal is to encourage industry wide participation in the VIS that will lead to industry innovation and safety improvement. While information sharing platforms currently exist within the pipeline industry, these systems are generally closed groups that provide limited access. A VIS can broaden the scope of the information shared beyond partnered ILI vendors or pipeline operators, and make it available to operators, distributors and vendors on a global scale, by standardizing how information is reported and disseminated. A VIS can also serve a diverse audience representing the many aspects of the pipeline industry. The most practical way to recruit the participation of industry operators is to place emphasis on legislative protections and ensure that the reporting of errors, flaws or mistakes fall under the protections of the VIS, as long as its reported.

The VIS WG deliberated and discussed four governance models for the pipeline VIS, to include the pros and cons of each option and alternatives, which are available in Appendix XVI. The VIS WG recommends a governance model that includes a VIS Executive Board, Third-Party Information Manager, Issues Analysis Team, and Sustainable Funding. The governance model should provide PHMSA with day to day management over the VIS; provide statutory protections on the data and information within the system; and, support non-punitive reporting. Non-disclosure agreements and other tools should be used to bind individual and groups.

SUPPORTING RECOMMENDATIONS

| | |
|--|--|
| Supporting Recommendation G-1 | Establish VIS Executive Board There should be a VIS Governing Board. Decisions will be made by consensus of the Board and Co-Chairs. The Board will ultimately decide what consensus means. The Board will have the authority to develop its Governance documents and should oversee the enforcement of the Governance and supporting documents. The Board should have decision making authority over what issues are addressed by the Issue Analysis Teams. Issue Analysis Teams, Third-Party Data Provider, and outside experts may identify issues for consideration by the Board. The Board should appoint members to the issues analysis teams based on the content to be addressed. Board representation should be made up of the following stakeholder groups: PHMSA, pipeline operators, service providers, NAPSIR representatives, trade associations, public representatives, labor unions and universities. The PHMSA Administrator should appoint VIS Executive Board members after consulting with the stakeholder groups. The Board should be involved in the final decision on the third-party provider in accordance with the Federal Acquisition Regulations. |
| Supporting Recommendation G-2 | Secure Third-Party Information Manager A Third-Party Data Manager should be managed by PHMSA in a Program Management Role and will be a private entity. |
| Supporting Recommendation G-3 | Appoint an Issue Analysis Team Issue Analysis Teams should be appointed by the Executive Board and appointed with technical and subject matter experts in the area addressed. |
| Supporting Recommendation G-3 | Authorize and Appropriate Funding for VIS Initial seed money should be provided from PHMSA and acquired through legislative appropriations and authorizations. Back-up funding should be from the Initial startup through DOT discretionary funding. Contributions from participants should be encouraged. The Executive Board should be charged with developing a long-term funding strategy to sustain VIS. |

Competence, Awareness, and Training

In July 2015, the American Petroleum Institute (API) issued the first edition of “Pipeline Safety Management Systems,” API Recommended Practice (RP) 1173. Section 13 of the RP is entitled, “Competence, Awareness, and Training.” While the narrative within Section 13 is rather limited compared to other API 1173 sections, the content directly relates to the processes envisioned by the VIS WG.. People who work within a VIS need to have an appropriate level of competence in terms of education, training, knowledge and experience. When the program for voluntarily sharing pipeline safety information is established, considerations for implementation should include the following aspects.

Job descriptions should be authored to define the necessary knowledge, skills, and abilities for key positions within the VIS organization. This would include members of any within VIS “Boards” or “SME (Subject Matter Expert) Teams,” as well as employees working with a third-party data administrator. Comprehensive job descriptions will define hiring criteria for employees as well as selection criteria for positions that are appointed. Once roles have been filled, an on-going evaluation process should be established to ensure that data remains secure and that confidentiality is preserved. To sustain voluntary participation, Operators and Service Providers need the assurance that those working with identified data will not compromise the non-punitive nature of the VIS.

As employees are hired and stakeholder representatives are appointed to boards and teams, they will need to be properly brought onboard the system. Initial training programs should be developed to enable the implementation of issue analysis teams, employees of third party data administrator(s) and for member companies who will input data. Training will need to be developed in a manner that fits the audience and the type of information. There will be both “data-rich,” or quantitative sharing and “information-rich,” or qualitative sharing. The VIS WG is in the process of confirming what information will be shared and the mechanics of how the information will be collected, combined and consumed. (Three other subcommittees have discussed the latter.) Once these processes and templates have been developed, the training modules should be created to meet the information exchange expectations.

The exchange of data and information is a key element of the PIPES Act of 2016 mandate. A primary objective is to expand stakeholder knowledge and the advantages and disadvantages of various iILI technology and methodologies. There are many constituents that make up this community of practice including ITD and NDE service providers, ILI tool companies, Operators, and regulatory agencies. A process should be established to pair VIS analytical staff with Pipeline Operators and other industry SMEs, including ILI companies and ITD assessment companies. The efficient exchange of data and information will require a prescriptive workflow whereby all participants understand their role and their expectations. Once this workflow has been developed, people should be trained accordingly. This will better assure that processes established to preserve data and information security will not be jeopardized.

There are many stakeholders beyond those directly involved with pipeline safety tasks. Members of the public and media are expecting transparent output from the VIS. As the VIS develops meaningful metrics and authors reports, it is likely that the public will need further education about

pipeline maintenance activities to fully understand the metrics and reports. Training material should be developed to foster this.

While initial training is a key aspect to ensure that the VIS is effectively established, there will be a need for ongoing training and evaluation. Employee turnover and member participation will evolve. The VIS will also evolve and mature with time. Training modules should be developed as necessary to facilitate effective workflow and VIS output.

SUPPORTING RECOMMENDATIONS

| | |
|--------------------------------------|---|
| Supporting Recommendation C-1 | Recommend that job descriptions be authored that define the education, knowledge, skills, abilities, and experience necessary for those working with confidential data and information. This will foster hiring criteria for third-party data administrator. |
| Supporting Recommendation C-2 | Recommend that a process be established to pair VIS analytical staff with Pipeline Operator and other industry subject matter experts (SMEs), including in-line-inspection (ILI) companies and in-the-ditch (ITD) assessment companies. The collaboration is intended to ensure those analyzing the data understand industry lore and discuss meaningful data. An objective of establishing this work environment for this community of practice is to create meaningful reports and metrics such that stakeholders can expand their knowledge and learn the advantages and disadvantages of various types of in-line inspection technologies and methodologies. (Section 10 mandate) |
| Supporting Recommendation C-3 | Recommend that an evaluation process be developed for employees working within the VIS (the “Hub”) to ensure they will: <ul style="list-style-type: none">• Protect data security• Preserve member anonymity and confidentiality The executive board, a third-party data administrator, will mutually agree upon and authorize the evaluation process. |
| Supporting Recommendation C-4 | Recommend that educational materials based on tenants of trust and leadership be developed to market the VIS with the intent to motivate and compel stakeholders to join. A primary objective is to find ways to encourage the exchange of pipeline inspection information which will lead to the development of advanced pipeline inspection technologies and enhance risk analysis. (Section 10 mandate). |

| | |
|---|---|
| <p>Supporting Recommendation C-5</p> | <p>Recommend that initial training be developed to enable the development and implementation of VIS.</p> <p>Distinct Audiences to be trained:</p> <ul style="list-style-type: none"> • Those who input data and information (e.g. employees from ILI Companies, ITD Assessment Companies, Pipeline Operators, Public Advocacy Groups, Federal and State Community Liaisons ...) • Those who work within the system or “the Hub” and are exposed to identified data • Those who receive VIS output. It is the participants in these communities of practice that will expand their knowledge of the advantages and disadvantage of the different types of in-line inspection technology and methodologies. (Section 10 mandate) <ul style="list-style-type: none"> ○ Data Rich (ILI as-found versus as-called feature dimensions and feature signature calibration) ○ Information Rich (info sharing re: unwanted events and continuous improvement) ○ Regulatory Agencies (federal, state, local) ○ Portal for appropriate data available to the public <p>Types of Training:</p> <ul style="list-style-type: none"> • In-Person / Hands-On • Computer Based Training Modules • Train the Trainer • Recurring training that promotes the awareness of VIS and data security |
| <p>Supporting Recommendation C-6</p> | <p>Recommend that training modules be developed that instruct participants the workflow processes and protocols as recommended by the Process Sharing sub-committee. These modules will likely be phased in as the VIS structure and workflow processes will take time to develop.</p> <ul style="list-style-type: none"> • Trainers could consist of SMEs from across the industry and regulatory agencies • Train participants’ methodology for data submission to include types of input, how to input, format, et cetera. |

| | |
|--------------------------------------|---|
| | <p>If a form for data and information submittal is created, train to the form.</p> <ul style="list-style-type: none"> • Train confidentiality requirements as recommended by the Governance sub-committee. <ul style="list-style-type: none"> ○ Robust rules with degrees of separation to preserve anonymity ○ Training modules shall be successfully complete before being allowed to work within the ‘data room’ |
| Supporting Recommendation C-7 | Recommend the development of training modules be tailored for the participants, specifically for those working with quantitative data and those working with qualitative information. |

Process for Sharing Information

Types of Information to Be Shared and Design of a VIS Hub

The Process Sharing subcommittee defined a set of requirements for the sharing of information including the following elements:

- centralized security - access control to align with governance
- continuous validation and verification - to address data quality issues, inconsistent data feeds and new algorithms with limited verification
- data management - with computing environment (in situ/in cloud)
- data analytics software and tool integration - practices that can handle the volume, velocity and diversity of data

The subcommittee began work by defining a task statement:

In the spirit of improving pipeline safety and technology development, this subcommittee will produce a recommendation to the VIS working group for identification and improvement of the types of information and data shared among key stakeholders. Examples of stakeholders may include; congress, state and federal regulators, industry associations and service providers, hazardous liquids and gas transmission operators, gas distribution operators, public representatives and the general public. This will be accomplished through subcommittee deliberation, coordination with other subcommittees, consultations with outside experts, and synthesis of information collected during the subcommittee deliberation period. This includes (but is not limited to) Root Cause Analyses, “Good catches”– Close Calls, Safety Management Systems Lessons Learned, Mitigative Measures and Pipeline Assessment Processes and Data.”

The subcommittee defined the types of information to be shared drawing upon earlier work done by the full committee. These include:

1. Learnings from reportable incidents and accidents, and near misses (PSMS – 9)
2. Learnings from routine use of integrity assessment technology (ILI, DA, HT, Other Technology) (PSMS – 9)
 - a. Lessons Learned – descriptive of rule-based take-aways
 - b. Discrete Integrity Assessment and Excavation Data
3. Learnings about specific risks (SMS – 6)
4. Sharing Information and Learnings with our public stakeholders (SMS – 2)

The subcommittee invited in experts from other applications where information sharing is an established practice. These included:

- Federal Aviation Administration – Aviation Safety Information Analysis and Sharing (ASIAS), Federal Aviation Administration, Warren Randolph, Director, Aviation Safety Analytical Services
- Aviation Safety Action Program (ASAP) and Safety Management Systems, John DeLeeuw, American Airlines and Vickie Toman, SMS Manager (AA)
- API RP 1163, In-line Inspection Systems, Drew Hevle, Kinder Morgan
- Information Collection Presentation, Dr. Rolf Schmitt Bureau of Transportation Statistics Deputy Director

- Confidential Close Call Reporting System (C3RS), Brian Reilly Federal Railroad Administration Human Performance Program Specialist
- Common Ground Alliance Voluntary Reporting (DIRT) Erika Lee, VP, Programs & Administration
- National Transportation Safety Board Presentation Robert Hall, Director, Office of Railroad, Pipeline and Hazardous Materials Investigations
- Pipeline Research Council International Presentation, Cliff Johnson, President and Walter Kresig, Vice President, Asset Integrity, Enbridge Liquid Pipelines
- Center for Offshore Safety

Subcommittee members wanted to know what these experts had learned in standing up an information sharing system. Each expert was also asked what they would do differently if they were starting today; things they would do more of as well as less of.

ASIAS was implemented within the FAA in 2007. ASIAS is governed by six key principles, described above, including:

1. voluntary submission of safety-sensitive data
2. transparency for how data are managed and utilized
3. analyses approved by an ASIAS Executive Board
4. data used solely for advancement of safety
5. operator/OEM/MRO data are de-identified
6. procedures & policies based on collaborative governance

SUPPORTING RECOMMENDATIONS

| | |
|---|--|
| <p>Supporting Recommendation P-1</p> | <p>Define and develop a community of practice that fosters the voluntary sharing and exchange of information related to integrity assessments and risk management.</p> <p>The term community of practice was selected to convey the importance of creating an environment where the stakeholders recognize the importance of information sharing and their interdependency. Each stakeholder group brings value that will improve the overall effectiveness of integrity assessments, managing risk and improving pipeline safety performance. Consider first building the community of practice with a “coalition of the willing,” that grows as successes are realized. Stakeholders should include operators, service providers, regulators, research organizations, organized labor and public representatives.</p> |
| <p>Supporting Recommendation P-2</p> | <p>Define the types and what information are to be shared to enhance integrity management including integrity assessments and risk management.</p> <p>More detail will be defined based on recommendations made by the Best Practices and Technology and Research and Development Subcommittees.</p> |

| | |
|---|--|
| <p>Supporting Recommendation P-3</p> | <p>Develop a plan (design) for an information sharing center, hereafter referred to as a voluntary information sharing hub.</p> <p>The VIS will share information defined in PS-2 among members of the community of practice define in PS-1 under governance defined by the Mission, Values and Governance Subcommittee.</p> |
| <p>Supporting Recommendation P-4</p> | <p>Adopt API RP 1163 as a starting framework for information sharing between operators and ILI service providers within the VIS HUB and foster its broader use.</p> <p>a. Operators should formalize their use of API RP 1163 with each of their service providers ensuring that learnings can be recognized, documented and shared.</p> <p>API RP 1163 provides a framework for operators and ILI service providers to work together to ensure that assessment results are valid and improvements in the use of ILI are identified. The Process Sharing Subcommittee found in discussions with operators and ILI service providers that RP 1163 is being used but there are opportunities to formalize and institutional its use within organizations and use it more broadly among organizations. The desired future state is one that reflects the integration among stakeholders creating the environment that fosters information sharing.</p> <p>The process can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using technology identified by the Technology and Research and Development Subcommittee.</p> <p>b. An operator’s use of API RP 1163 should be evaluated and audited periodically in conformance with their implementation of requirements of API RP 1173, Section 10, Safety Assurance.</p> <p>Integrate the lessons learned process established herein into the management review process</p> |
| <p>Supporting Recommendation P-5</p> | <p>Develop a process for pipeline operators to share lessons learned from the planning, execution and evaluation of integrity assessments.</p> |

| | |
|--------------------------------------|---|
| | <p>The process may start with operators providing case studies (use cases) of their findings from use of API RP 1163 for ILI, or more generally, other assessment technologies in managing risk and pipeline integrity. The process should produce information on pipe and material properties, coatings, the environment around the pipe, why the assessment was conducted including which threats were being addressed and consequential benefits of the work as applicable. Required information is defined in recommendation x.x (developed by the Technology and Research and Development Subcommittee).</p> |
| Supporting Recommendation P-6 | <p>Define the processes to be used in a VIS Hub to facilitate the sharing discrete data from integrity assessments using information management and sharing technology defined in recommendation x.x (developed by the Technology and Research and Development Subcommittee).</p> |
| Supporting Recommendation P-7 | <p>Consider the evaluation of existing information sharing systems already in use for energy pipelines and select ones to adopt within the VIS Hub to accelerate development and maturity. For example, consider the system developed by PRCI as the foundation for information sharing of ILI information among operators and service providers.</p> |
| Supporting Recommendation P-8 | <p>Develop a process for integrity assessment service providers to share lessons learned from the planning, execution and evaluation of integrity assessments; including in-line inspection, direct assessment, pressure testing and applications of other technology.</p> <p>The process may start with integrity assessment service providers providing case studies of their findings. The process can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using technology identified by the Technology and Research and Development Subcommittee. The process should produce information on pipe and material properties, coatings, the environment around the pipe, why the assessment was conducted including which threats were being addressed and consequential benefits of the work as applicable. Required information is defined in recommendation x.x (developed by the Technology and Research and Development Subcommittee).</p> |

| | |
|--|---|
| <p>Supporting Recommendation P-9</p> | <p>Develop a process for non-destructive evaluation (NDE) service providers to share lessons learned from the planning, execution and evaluation of integrity assessment excavations.</p> <p>The process should produce information on pipe and material properties, why the assessment was conducted including which threats were being addressed, the NDE methods used including reference to specific published methods and consequential benefits of the work as applicable. Required information is defined in recommendation x.x (developed by the Technology and Research and Development Subcommittee).</p> <p>The process can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using technology identified by the Technology and Research and Development Subcommittee.</p> |
| <p>Supporting Recommendation P-10</p> | <p>Define a process for disseminating lessons learned:</p> <ol style="list-style-type: none"> a. For operators and identify the operator organizations to receive the Lessons Learned, including AGA, AOPL, APGA, API, INGAA, as well as PRCI, GTI, NYSEARCH. b. For government stakeholders and agencies to receive the Lessons Learned, including PHMSA, state and local pipeline safety regulatory authorities. Define why and how the information shared with these organizations is different that the organizations in recommendation x.x. Examples include ... c. For public stakeholder organizations to receive the Lessons Learned, including organized labor and public interest groups such as the Pipeline Safety Trust and the Pipeline Safety Coalition, as well as interested Federal, state and local officials. Define why and how the information shared with these organizations is different that the organizations in recommendation x.x. Examples include ... |
| <p>Supporting Recommendation P-11</p> | <p>Consider development and periodic update of an Integrity Assessment [Management] Compendium to share the state</p> |

| | |
|--|---|
| | of the art with regard to integrity assessment technology, risk assessment, including data integration, and NDE technology. |
|--|---|

Technology and Research & Development

Supporting Recommendation T-1: Adopt a API RP 1163 Framework for Information Sharing

The Committee recommends adopting API RP 1163 as a starting framework for information sharing between operators and ILI service providers within the VIS Hub and foster its broader use.

Operators should formalize their use of API RP 1163 with each of their service providers ensuring that learnings can be recognized, documented and shared. API RP 1163 provides a framework for operators and ILI service providers to work together to ensure that assessment results are valid and improvements in the use of ILI are identified. The Process Sharing Subcommittee found in discussions with operators and ILI service providers that RP 1163 is being used but there are opportunities to formalize and institutional its use within organizations and use it more broadly among organizations. The desired future state is one that reflects the integration among stakeholders creating the environment that fosters information sharing. The process can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using technology identified by the Technology and Research and Development Subcommittee.

An operator’s use of API RP 1163 should be evaluated and audited periodically in conformance with their implementation of requirements of API RP 1173, Section 10, Safety Assurance. Integrate the lessons learned process established herein into the management review process

Supporting Recommendation T-2: Develop a Process for Pipeline Operators to Share Integrity Assessment Lessons Learned

The Committee recommends that for a pipeline safety VIS to be effectively implemented, a process should be developed for pipeline operators to share lessons learned from the planning, execution and evaluation of integrity assessments.

The process may start with operators providing case studies (use cases) of their findings from use of API RP 1163 for ILI, or more generally, other assessment technologies in managing risk and pipeline integrity. The process should produce information on pipe and material properties, coatings, the environment around the pipe, why the assessment was conducted including which threats were being addressed and consequential benefits of the work as applicable.

The opportunity in standing up a formalized VIS is to build on the strength of the bilateral sharing under API RP 1163 and evolve to including the NDE service provider, and concomitantly or subsequently add in other integrity assessment processes.

Evolve to Improve and Integrate

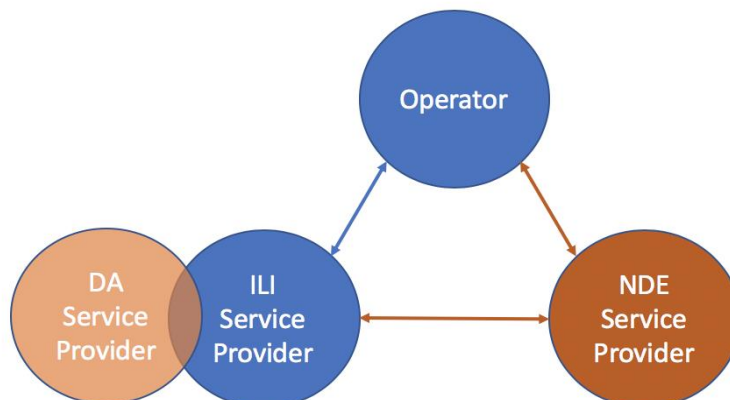


Figure 7 – Depiction of How Information Sharing Might Evolve

The objective is to develop an integrated operator/IM assessor/NDE sharing process building on the requirements of API RP 1163 and integrate into a common validation process to build a database with great depth. The sharing of discrete data will enable assessment providers to accelerate learning and advancement of technology and process development.

Supporting Recommendation T-3: Define Processes to Share Discrete Integrity Assessment Data

To effectively implement a VIS the Committee recommends that processes be defined to facilitate the sharing of discrete data from integrity assessments using information management and sharing technology defined in the Information Technology System Architecture and Best Practices section below.

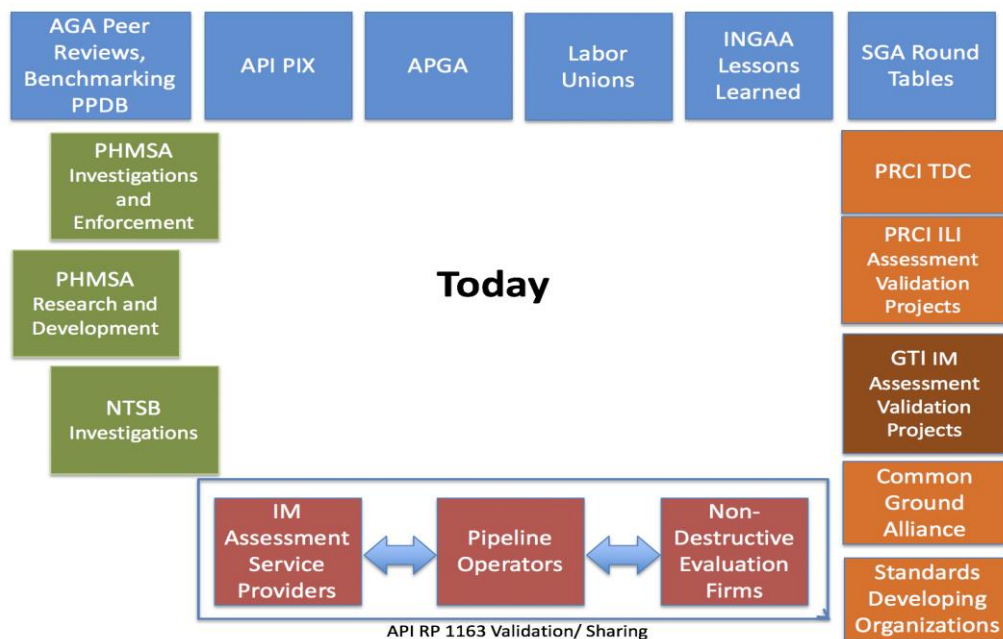


Figure 8

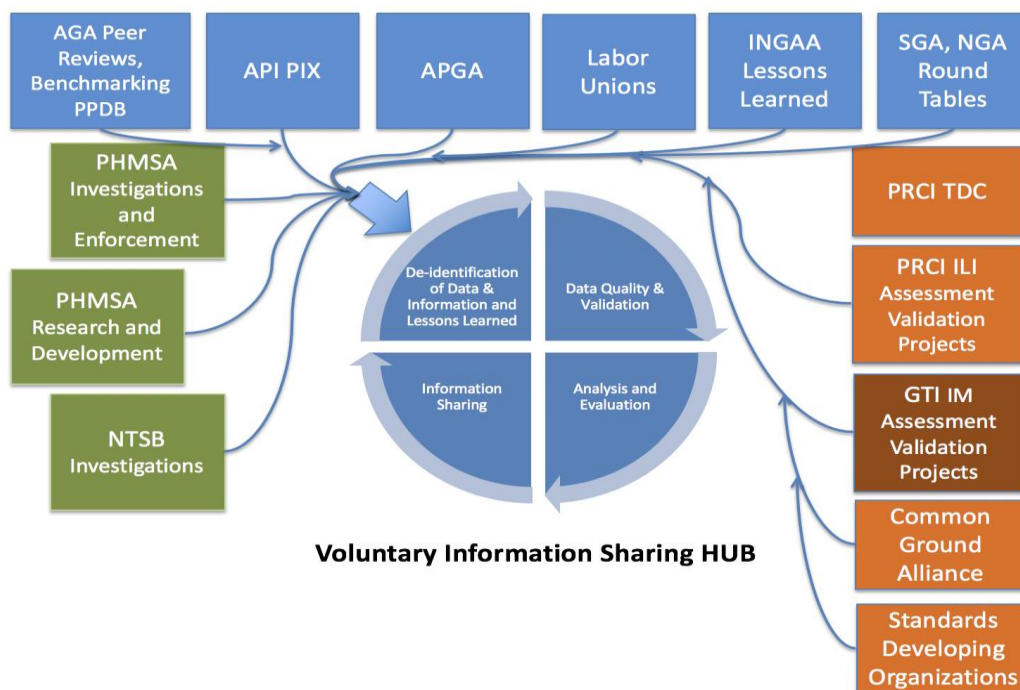


Figure 9

Supporting Recommendation T-4: Evaluate Existing Information Sharing Systems in Use

The Committee recommends the evaluation of existing information sharing systems already in use for energy pipelines and select ones to adopt within the VIS Hub to accelerate development and maturity. For example, consider the initiative outlined below, under development by PRCI to be the foundation for sharing of pipeline information among its membership.

PRCI Pipeline Data Hub

Description of Intent

Modern data science is important to all fields of industrial technology and process development. There is a vast, untapped information pool within the pipeline industry awaiting broad industry coordination to extract and use it. Being at the forefront of our industry, it is both a need and an opportunity for PRCI to establish a deeper competency regarding the important topic of data mining and analytics and to be a coordinator of data sharing. The data science path for PRCI will aim on being a center for pooled information in support of its current R&D mandate but, the role may evolve in time into broader responsibilities. The center for pooled data will be initially expressed as the “PRCI Pipeline Data Hub.”

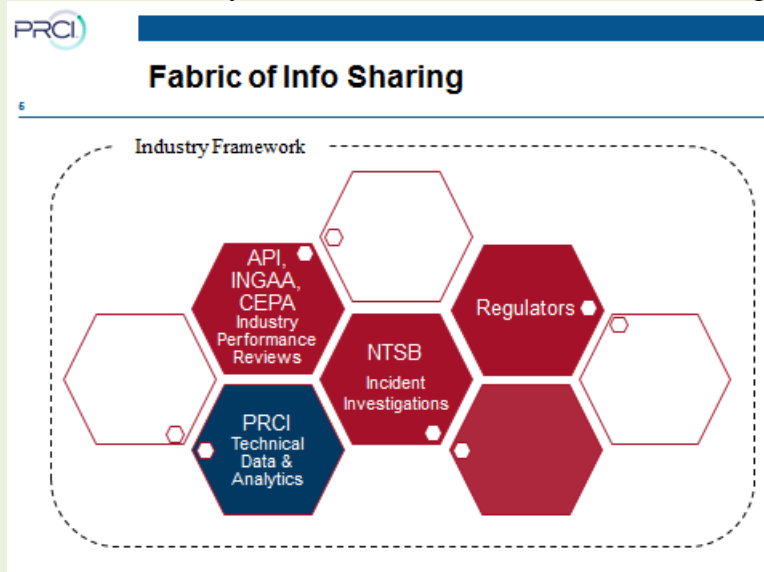
Value Characteristics

- Certain R&D technical challenges are most effectively and/or efficiently resolved as data centered exercises. The IoT, cloud, etc. have dramatically changed the technology development landscape.
- The global reach of PRCI opens the largest possible industry network of data contributors
- As an organization that impartially serves all stakeholders, PRCI is a trusted resource
- The data role played by PRCI will drive a deeper industry collaboration norm

- Demonstrates that PRCI is culturally aligned with the need to be at the forefront of science & technology
- By leading in this area, creates performance-driven industry behavior rather than a gap to be filled through prescriptive measure

General Structure

- PRCI has an already existing governance structure that has access to a great deal of data from previous research projects, conducts scientific analytics, and disseminates results and drives knowledge transfer. The aim of the data hub is to expand this capability.
- The mandate is rooted in improving the engineering and operations of pipelines (materials engineering, inspections & diagnostics, equipment/facility design and operation, other (i.e. human factors) within the existing PRCI framework of consensus, collaborative R&D.
- The basic approach is to develop data sets to be used for analytics and reporting.
 1. Serve as a center for real time data gathering of active pipeline operations (i.e. right-of-way surveillance, geohazard map data, repair data, welding, emission data, leak data, pipeline locating, NDE data).
 2. Drive PRCI R&D projects that leverage data mining and data collaboration
 3. Rearrange data gathered as a byproduct of historical, current, and future PRCI projects to open improved access to this historical data
- There are many possible data-centered projects. In all cases, the PRCI role will be envisioned within the current context of PRCI's relationship to the industry fabric.
- While a formal industry-wide framework for information sharing does not presently exist (in comparison to the aviation industry model). PRCI will focus on data sharing.



- A core, ready-made structure exists within PRCI (mandate, funding, project planning & management, administration, etc.), and the next step will be to conduct enhancements in at least the following organizational areas:
 1. People resource for data engineering
 2. Electronic ecosystem for data management
 3. A charter that defines (a) scope, (b) legal and liability, (c) property ownership, (d) roles of all parties, (e) governance, (f) confidentiality, (g) bylaws for sharing, h), etc.
- Funding for the data hub would be through the following:

1. Existing member fee structure (ballot, flex fund, research bank, supplemental, Consortium)
2. Special member fee
3. Future new services provided to non-members are also contemplated, thereby opening a new funding stream.
4. Potential government funding if we enable government participation and access to the data
- PRCI will continue to explore the potential for a direct interface model where sanctioned users, need to further define who and how, would be able to access information directly and utilize on-line analytics tools for individual usage outside of the ongoing PRCI project managed activities.
- PRCI relies on other industry organizations to utilize PRCI results for the development of industry standards. This general approach will not change.

Execution Plan

There are various examples of successful and sizeable data pooling initiatives, including that which is found in the aviation industry. The approach for the PRCI pipeline data hub will be to begin simply and grow as the need or capability evolves. The early scope will aim for modest milestones and an expectation that it will take roughly three years to demonstrate a “mature” process. Here are the drafted initial activities, as follows:

1. The PRCI NDE-4E “ILI Crack Tool Reliability and Performance Evaluation” has been utilized as an important test case for the establishment of a data hub.
 - a) Firstly, the work under this project entails the world’s largest data pooling of crack ILI versus field NDE information; a matter of vital technical importance.
 - b) Secondly, the project has successfully employed measures to mine pipeline Operator in-house data.
 - c) Thirdly, a data base structure has been successfully employed and analytic results are broadly available.
 - d) This project continues with annual data mining and analytics and is a stepping stone for the data hub. The project results are the most comprehensive representation of crack ILI state-of-art.
2. To establish a single location to gather and organize all data developed within PRCI and contributed by members and nonmembers to be used for current and future PRCI and industry research.
3. It is proposed to launch version V1 of the Data Hub soon, utilizing the results of the NDE-4E to begin, and upon preparation of the Charter. The intent is to begin the journey and build the basics (i.e. organizational behavior, communications, sharing norms, data science experience, stakeholder relationships).
4. Continue to participate and aim to align, within the PRCI mandate, with the PHMSA VIS initiative.

Supporting Recommendation T-5: Develop a Process for Integrity Assessment Service Providers to Share Lessons Learned.

The Committee recommends development of a process whereby integrity assessment service providers can share lessons learned from the planning, execution and evaluation of integrity assessments; including in-line inspection, direct assessment, pressure testing and applications of other technology.

The process may start with integrity assessment service providers providing case studies of their findings. The process can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using technology identified by the Technology and Research and Development Subcommittee. The process should produce information on pipe and material properties, coatings, the environment around the pipe, why the assessment was conducted including which threats were being addressed and consequential benefits of the work as applicable.

Supporting Recommendation T-6: Develop a Process for NDE Service Providers to Share Lessons Learned

The Committee recommends the development of a process whereby NDE service providers can share lessons learned from the planning, execution and evaluation of integrity assessment excavations. The process should produce information on pipe and material properties, why the assessment was conducted including which threats were being addressed, the NDE methods used including reference to specific published methods and consequential benefits of the work as applicable.

These sharing processes can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using the Information Technology System Architecture identified by the Technology and R&D subcommittee.

Multi-Stakeholder Recommendations and Design of VIS Hub

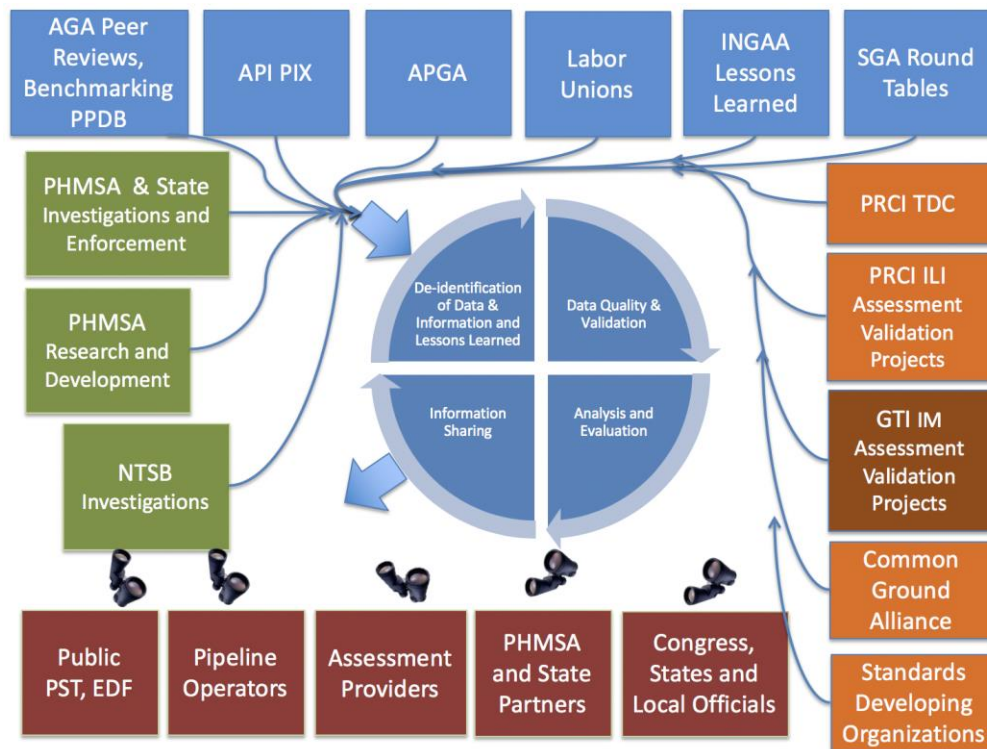


Figure 10

Supporting Recommendation T-7: Define and Develop a Community of Practice

To ensure that broad participation from the industry and other stakeholders is encouraged and continues, the Committee recommends defining and developing a community of practice that fosters the voluntary sharing and exchange of information related to integrity assessments and risk management. The term community of practice was selected to convey the importance of creating an environment where the stakeholders recognize the importance of information sharing and their interdependency. Each stakeholder group brings value that will improve the overall effectiveness of integrity assessments, managing risk and improving pipeline safety performance. Stakeholders should include operators, service providers, regulators, universities and research organizations, organized labor, and public safety advocates.

It is conceivable that stakeholders will be reluctant to VIS. It is likely to take time to develop the trust and awareness of value before a significant number of stakeholders participate. However, as the experience of Pipeline Research Council International (PRCI) with their recent Crack Study (NDE-4E) has shown and as the FAA has demonstrated with ASIAs, it may be sufficient to start with a coalition of the willing, and as others see the benefits and the anonymity of the information, they subsequently become motivated to join.

The PRCI experience with NDE-4E demonstrated that keeping the data sharing process voluntary, and protecting the anonymity of contributors and their data, is essential to encourage participation. The process could be further strengthened by ensuring that access to the detailed data is limited to only those operators and service providers who participate, and that individual operators and service providers are able to identify their own performance and maybe some key metrics like “average” and “top quartile”. No one should be able to identify the performance or data from a specific service provider or operator.

The FAA launched a similar voluntary information system (ASIAs) to reduce airline accidents. The ASIAs implementation faced similar challenges with trust and participation. However, through demonstrated confidentiality and ensuring ASIAs reports do not result in disciplinary actions by the FAA on the operators or the operators on employees, the program now has wide participation that has been effective in reducing accidents and fatalities.

The development of trust will be critical for the success of a VIS. Trust will grow as the VIS faithfully stays focused on the safety learnings from the data collected and the motivation provided to individual companies who can assess their own performance as compared to average or top quartile performance. This will necessitate that protections be established to ensure the data isn’t directed to other uses that will discourage participation. The protections will need to address operator concerns that the data shared could be used punitively by regulators. For technology service providers, these protections need to ensure that data on real-world performance won’t be used by their peers to put them at a disadvantage.

As the benefits noted in Section 6 are realized and communicated, the community will grow, and the value of a pipeline integrity VIS will continue to increase.

Define and publish key metrics that measure the effectiveness of the VIS. In order to build participation and strengthen trust, high level metrics need to be established to assess the implementation of the VIS. Some possible metrics include:

- Quantitative statistics relative to data and information available
- number of inspections submitted number and variety of operators and service providers participating,
- size of operators participating,
- documentation on any new threats or technologies improvements that were advanced because of the VIS

Confidentiality and Security: Motivating Participation

In order to promote and encourage participation from across the pipeline industry a VIS should provide for transparency and open, honest communication of industry capabilities, processes, procedures, technologies, improvements and safety results relative to the value that the sharing process generates. This should include defining what data, information and specific messaging should be included in industry and public communications. Such communications should describe the state of the state not just in terms of what industry is capable of but in how well the pipeline industry does or does not deploy that capability.

To protect confidentiality and ensure security of all data, it is proposed that all data types should be categorized using an established industry framework such as FIPS 199 to ensure confidentiality, integrity and availability. The VIS hub should be protected following an established industry standard such as NIST 800-53. It is proposed that this baseline be implemented according to the aforementioned established industry standards. Implementation of such standards would include many normal information security practices, such as system patching, vulnerability assessments, incident response planning, encryption and many other industry best practices.

It is conceivable that not all service providers and operators will participate in the data gathering effort. It is likely to take time to develop the trust and awareness of value before a significant number of operators and service providers participate. However, as the experience of Pipeline Research Council International (PRCI) with their recent Crack Study (NDE-4E) has shown and as the FAA has demonstrated with ASIAS, it may be sufficient to start with a coalition of the willing, and as others see the benefits and the anonymity of the information, they subsequently become motivated to join.

The PRCI experience with NDE-4E demonstrated that keeping the data sharing process voluntary, and protecting the anonymity of contributors and their data, is essential to encourage participation. The process could be further strengthened by ensuring that access to the detailed data is limited to only those operators and service providers who participate, and that individual operators and service providers are able to identify their own performance and maybe some key metrics like “average” and “top quartile”. No one should be able to identify the performance or data from a specific service provider or operator.

The FAA launched a similar voluntary information-sharing system (ASIAS) to reduce airline accidents. The ASIAS implementation faced similar challenges with trust and participation.

However, through demonstrated confidentiality and ensuring ASIAs reports do not result in disciplinary actions by the FAA on the operators or the operators on employees, the program now has wide participation that has been effective in reducing accidents and fatalities.

The development of trust will be critical for the success of a VIS. Trust will grow as the VIS faithfully stays focused on the safety learnings from the data collected and the motivation provided to individual companies who can assess their own performance as compared to average or top quartile performance. This will necessitate that protections be established to ensure the data isn't directed to other uses that will discourage participation. The protections will need to address operator concerns that the data shared could be used punitively by regulators. For technology service providers, these protections need to ensure that data on real-world performance won't be used by their peers to put them at a disadvantage.

Data Quality Control and Quality Assurance: Foundational Requirements for Success

Foundational to the success of such an information sharing effort is the quality of the data gathered. If stakeholders cannot trust the data, the anticipated benefits are unlikely to follow. Therefore, issues such as the development of data quality assurance processes (QA), standards to define data formats (QC), and training to ensure consistent measurement practices will need to be resolved.

Further work is also necessary to define metrics to assess successful implementation of the VIS, such as:

- database size
- number of inspections submitted
- number and variety of operators and technology service providers participating
- size of operators participating
- metrics that operators and service providers can use to assess their own performance as compared to the average or top quartile; and,
- documentation on any new threats or technologies improvements that were advanced because of the VIS.

Supporting Recommendation T-8: Consider Conforming to Industry Recommended Practices and Standards to Standardize the Sharing of Qualitative and Quantitative Data

In design and development of the VIS system, consideration should be made to conformance to industry recommended practices/standards for standardizing the sharing of qualitative pipeline data (such as lessons learned) and quantitative data (such as in-line inspection results compared to in the ditch findings). Industry recommended practices and standards already represent best practice consensus among the industry stakeholders and include common and consistent terms, definitions, nomenclatures, data types, data formats, procedures and process flows. Examples of such practices/standards include, but are not limited to:

- For In-Line Inspection (ILI), the most relevant recommended practices/standards include (see Appendix VIII):
 - API Standard 1163 'ILI Systems Qualification Standard',
 - NACE SP0102 'Recommended Practice: ILI of Pipelines', and

- ASNT ILI-PQ ‘Personnel Qualification Standard’ in their current versions (supports PS-9, PS-10).
- Other pipeline recommended practices/standards that would help standardize VIS data inputs include:
 - NACE SP0502 ECDA,
 - NACE SP0206 ICDA,
 - NACE SP0204 SCCDA,
 - API 1176 Recommended Practice for Assessment and Management of Cracking in Pipelines’, and,
 - API 1178 Integrity Data Management and Integration Guideline.

Supporting Recommendation T-9: Consider Design and Implementation Requirements for Input Validation for System Quality and Consistency.

Implementation of a VIS should consider the mechanisms and associated requirements for input validation, to ensure quality, and consistency for ingestion into ‘the system’. This includes data validation that ensures the appropriate quality needed for meaningful analysis. This is necessary for the analyses to produce trustworthy lessons learned and trends that lead to continuous improvements and research and development. As data validation will ensure quality and overall trust in the input(s) delivered, it will also enable a tiered approach to quantify the quality/trust whereby the applicable learnings can be warranted and followed up on accordingly for applicable lessons learned and/or continuous improvement. This can be envisioned in a few different ways, including conformance to industry recommended practices/standards; having a dedicated resource (personnel) to vet the information prior to ingress into the system; and, automated routines of the architecture/IT for ingress into ‘the system.’

The VIS should incorporate the appropriate Standards Developing Organization (SDO) to establish a consensus protocol for comparing tool assessment results with corresponding ITD/NDE field measurements. For example, a protocol should allow for consideration of the specific measurement techniques and uncertainties associated with each tool/technology. The appropriate subject matter experts should be engaged on the use and resulting analysis of these data. A protocol should also avoid inappropriate comparisons between ITD/NDE field measurements and tool results. For example, with ILI comparison concerns might include:

- For metal loss, the anomaly size that an ILI tool detects and measures is limited by the detection threshold and is usually smaller than the field measurements which usually include the area of metal loss that is less than the detection threshold.
- Establishing rigorous feature-matching processes between measurement technologies to ensure proper one-to-one (apples to apples) overlay comparison, e.g. ‘box matching’ with consideration for interaction and measurement error.
- For crack lengths, the ILI tool has a threshold depth, above which, a crack is not measured or reported with consistency. Shallow portions along the axial length of the crack are not reported by the ILI tool. In contrast, the field technique used to measure cracks involves magnetic particle penetration of the crack. The surface breaking length is measured and reported in the field NDE report. As a result, the correlation between the field and the ILI tool reported lengths can differ significantly, even when both measurements are accurate. To address this difference,

some Operators are comparing ILI crack length to the NDE measured length at the threshold depth.

Importantly, the VIS should provide analyses and outputs that serve to encourage adoption of best practices across the industry and stimulate continuous improvement in technology and the analyses and outputs should ensure anonymity is maintained. Some options for achieving this anonymity may include:

- A searchable database of lessons learned, from which operators can benefit from the experiences shared by their peers.
- A periodic “state of the art” analysis of key integrity assessment tools/technologies that describes their real-world capability to find, discriminate and size critical pipeline anomalies.
- Comparison within an assessment tool/technology peer group of the top quartile, lower quartile and average performance.
- Tools/technologies effectiveness compared to the direct examination results for specific anomaly types, e.g. deformations, metal loss, cracking, etc.

The VIS should also use the appropriate Standards Developing Organization (SDO) to create the consensus requirements for the field verification data to be included in ‘the system’. This should include, but not be limited to:

- A consensus recommendation for the ITD/NDE tools/technologies to employ for a given threat type.
- A consensus procedure for each ITD/NDE tools/technology and threat type. An example is the guideline from the Pipeline Operator Forum (POF), ‘Guidance on Field Verification Procedures for In-Line Inspection’ (December 2012).
- A consensus procedure to record measurements that ensures comparisons between measurement technologies is valid. (e.g. one-to-one or one-to-many, ‘apples to apples’)
- A consensus definition of competency for ITD/NDE personnel.
- American Society of Non-Destructive Testing (ASNT) has developed similar formats (e.g. SNT-TC-1A) training, education, and experience requirements per technology (e.g. UT, MPI, etc.). This needs to be enhanced to cover pipeline safety and integrity needs. Currently, there are efforts underway with ASNT and API to develop programs to address this issue. It is generally known that API is working together with ASNT to fulfill this before-mentioned. ILI has ASNT-ILI-PQ, ITD NDE needs something similar.

With these QA/QC requirements and defined metrics in place the public, regulators, operators, and service providers should be able to clearly identify the benefit of the VIS and its impact on pipeline safety.

SUPPORTING RECOMMENDATIONS

| | |
|--------------------------------------|--|
| Supporting Recommendation T-1 | Adopt a API RP 1163 Framework for Information Sharing The Committee recommends adopting API RP 1163 as a starting framework for information sharing between operators and ILI service providers within the VIS Hub and foster its broader use. |
| Supporting Recommendation T-2 | Develop a Process for Pipeline Operators to Share Integrity Assessment Lessons Learned The Committee recommends that for a pipeline safety VIS to be effectively implemented, a process should be developed for pipeline operators to share lessons learned from the planning, execution and evaluation of integrity assessments. |
| Supporting Recommendation T-3 | Define Processes to Share Discrete Integrity Assessment Data To effectively implement a VIS the Committee recommends that processes be defined to facilitate the sharing of discrete data from integrity assessments using information management and sharing technology defined in the Information Technology System Architecture and Best Practices section below. |
| Supporting Recommendation T-4 | Evaluate Existing Information Sharing Systems in Use The Committee recommends the evaluation of existing information sharing systems already in use for energy pipelines and select ones to adopt within the VIS Hub to accelerate development and maturity. For example, consider the initiative outlined below, under development by PRCI to be the foundation for sharing of pipeline information among its membership. |
| Supporting Recommendation T-5 | Develop a Process for Integrity Assessment Service Providers to Share Lessons Learned. The Committee recommends development of a process whereby integrity assessment service providers can share lessons learned from the planning, execution and evaluation of integrity assessments; including in-line inspection, direct assessment, pressure testing and applications of other technology. |

| | |
|---|--|
| <p>Supporting Recommendation T-6</p> | <p>Develop a Process for NDE Service Providers to Share Lessons Learned</p> <p>The Committee recommends the development of a process whereby NDE service providers can share lessons learned from the planning, execution and evaluation of integrity assessment excavations. The process should produce information on pipe and material properties, why the assessment was conducted including which threats were being addressed, the NDE methods used including reference to specific published methods and consequential benefits of the work as applicable.</p> |
| <p>Supporting Recommendation T-7</p> | <p>Define and Develop a Community of Practice</p> <p>To ensure that broad participation from the industry and other stakeholders is encouraged and continues, the Committee recommends defining and developing a community of practice that fosters the voluntary sharing and exchange of information related to integrity assessments and risk management. The term community of practice was selected to convey the importance of creating an environment where the stakeholders recognize the importance of information sharing and their interdependency. Each stakeholder group brings value that will improve the overall effectiveness of integrity assessments, managing risk and improving pipeline safety performance. Stakeholders should include operators, service providers, regulators, universities and research organizations, organized labor, and public safety advocates.</p> |
| <p>Supporting Recommendation T-8</p> | <p>Consider Conforming to Industry Recommended Practices and Standards to Standardize the Sharing of Qualitative and Quantitative Data</p> <p>In design and development of the VIS system, consideration should be made to conformance to industry recommended practices/standards for standardizing the sharing of qualitative pipeline data (such as lessons learned) and quantitative data (such as in-line inspection results compared to in the ditch findings). Industry recommended practices and standards already represent best practice consensus among the industry stakeholders and include common and consistent terms, definitions, nomenclatures, data types, data formats, procedures and process flows.</p> |
| <p>Supporting Recommendation T-9</p> | <p>Consider Design and Implementation Requirements for Input Validation for System Quality and Consistency.</p> <p>Implementation of a VIS should consider the mechanisms and associated requirements for input validation, to ensure quality, and consistency for ingestion into ‘the system’. This</p> |

| | |
|--|---|
| | <p>includes data validation that ensures the appropriate quality needed for meaningful analysis. This is necessary for the analyses to produce trustworthy lessons learned and trends that lead to continuous improvements and research and development. As data validation will ensure quality and overall trust in the input(s) delivered, it will also enable a tiered approach to quantify the quality/trust whereby the applicable learnings can be warranted and followed up on accordingly for applicable lessons learned and/or continuous improvement. This can be envisioned in a few different ways, including conformance to industry recommended practices/standards; having a dedicated resource (personnel) to vet the information prior to ingress into the system; and, automated routines of the architecture/IT for ingress into ‘the system.’</p> |
|--|---|

Architecture Considerations and Examples

The implementation of a VIS Hub will require a robust system architecture that allows for growth, maintains strong security and privacy, and provides capabilities for analyzing disparate data sets. The following technology architecture considerations provide guidance for how a big-data analytics system, like the VIS Hub, could be constructed to support the requirements described by the VIS Working Group committee. The Technology and R&D subcommittee developed these considerations to provide a short-term, early-win, system that can grow as the industry evolves the requirements and advances towards increased data-driven practices.

The following graphic depicts a mind-map based on the feedback received by the Technology and R&D subcommittee and used as guidance for the requirements of the proposed system. Each box informs the design approach for each step in the roadmap of the VIS Hub, outlined below.



Figure 11

Using the roadmap depicted in the mind-map it was determined the VIS Hub will require infrastructure that allows for self-service, resource pooling and delivery of on-demand computing resources; possessing scalability, elasticity and resiliency. Scalability exists at the application layer, implying a system, network or process that can handle a growing amount of work, or its potential to be enlarged in order to accommodate that growth. Elasticity in infrastructure involves enabling the virtual machine monitor (or hypervisor) to create virtual machines or containers to meet the real-time demand. Resiliency refers to the system being operable and able to provide and maintain an acceptable level of service. The proposed cloud computing and big data architecture addresses all aspects of the following components: infrastructure, analytics, data structures & models, and security. It is the whole complex of components to store, process, visualize and deliver results for consumption in targeted business applications. The complete system involves three (3) distinct layers for consideration; the connect, combine and, consume layers as outlined below.

Consideration 1: The VIS Hub should consider implementation on a cloud-based platform to satisfy infrastructure requirements for self-service, resource pooling and delivery of on-demand computing resources, scalability, elasticity and resiliency.

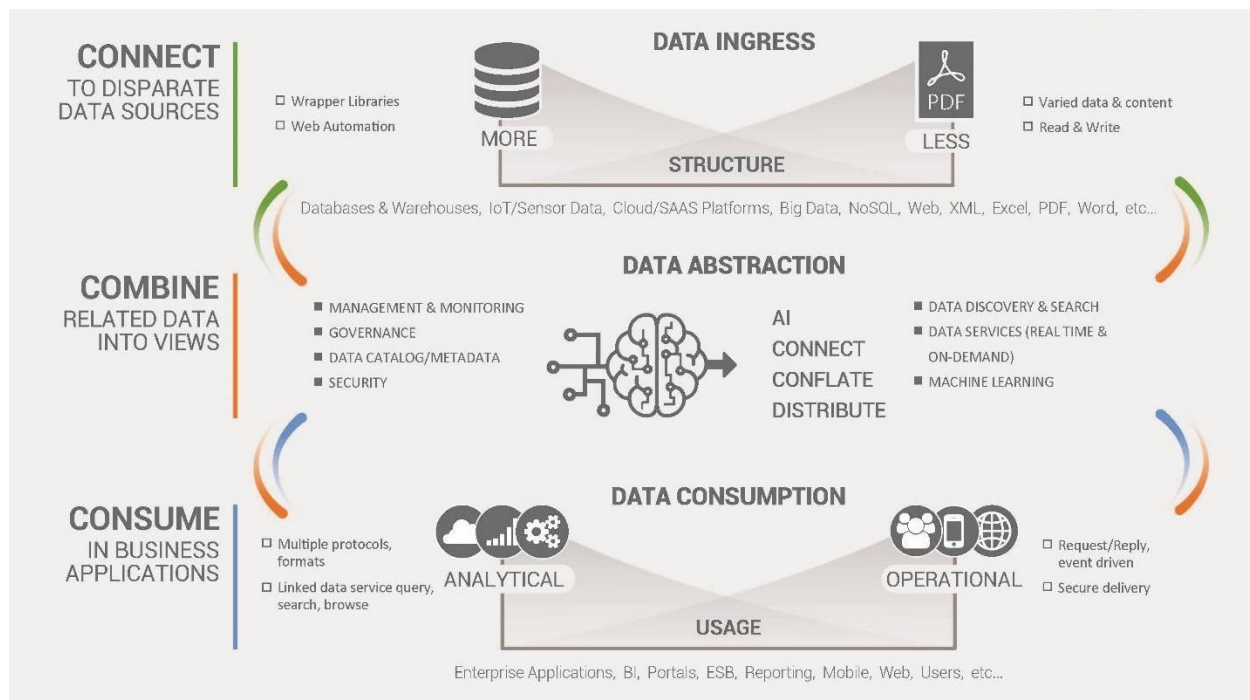


Figure 12

Connect

The data ingress layer connects to data from disparate and potentially diverse sources with varying degrees of structure. Various techniques and tools for data connection may be required such as API (Application Programming Interface) libraries, web services, web map services or other web automation.

In data management, the time scale of the data determines how it is processed and stored. Data is fixed, it is updated, or it is continuous. Consideration for how data is processed and stored must be addressed by the architecture. Each of the following data types would be consumed and stored in different ways as described in the appendix.

- Static (or persistent) – Is infrequently accessed and not likely to be modified. This data is a snap shot of data in time and space.
 - An inspection such as an ILI run
- Dynamic (or transactional) – Is information that is periodically updated, meaning it changes asynchronously over time as new information becomes available. This data is created, and updated, it changes, tracked historically, and is retired.
 - An asset such as a pipeline
- Streaming – is a constant flow of information adding to the repository. This data is a set of snapshots en masse.
 - A stream of constant data such as pressure/temperature readings, video, ILI Raw data, internet of things (IoT)

Consideration 2: The VIS Hub should consider integration componentry to connect to data from disparate and potentially diverse sources with varying degrees of structure. Various modern techniques and tools for data connection may be required (such as Application Programming Interface (API) libraries, web services, web map services or other web automation). Various modern techniques and tools (including machine learning) for data conflation should be considered to store, analyze and distribute data.

Consideration 3: The VIS Hub should consider the approach of a data management solution designed with big data and analytics at the forefront. This modern enterprise architecture entails dedicated data management tools for running complex analysis on data from disparate and potentially diverse sources. The qualitative data is qualified with domain validated values and ingested via modern techniques and tools (such as a standard web portal or through JavaScript Object Notation (JSON) or Extensible Markup Language (XML) formatted document submissions. The quantitative data sets are normalized using automated routines before ingress into a data warehouse.

Combine

The data abstraction layer combines related data into views. Various techniques and tools for data conflation may be required to store, analyze and distribute data including machine learning.

Data storage models are optimized for solving particular types of problems. Different models exist to meet the specific needs and requirements of the problem to be solved. Steps to data storage technology selection include clearly defining the problem, identify the solution to the problem, identify the type of database that is optimized for that type of solution and lastly identify the data storage model of that type that best meets particular needs. There are many ways to store information and not all are applicable – it depends on data state.

- Standard Relational Database Model (transactional) – Have been the de facto data management solution for many years. Relational databases require a schema before data can be inserted. Relational databases organize data according to relations/tables.
- Document Databases (non-transactional) – Store structured documents that are organized to a standard (e.g. JavaScript Object Notation – JSON, XML, etc.). Document databases tend to be schema-less, meaning they do require specification of the structure of the data to be stored.
- Network or Graph or Hierarchical Databases (non-transactional) – Store objects and their relationships to one another, vertices and edges respectively. Graph databases tend to be optimized for graph-based traversal algorithms.
- Block Storage (Documents) (non-transactional) – Raw volumes of storage are created and each block can be controlled as an individual hard drive. These Blocks are controlled by server based operating systems and each block can be individually formatted with the required file system.
- Block-Chain Storage (quasi-transactional) – Is a decentralizing model of data storage, whereby data no longer exists on a server, but rather across a network of shared ledgers, each containing the same encrypted data. This presents advantages to security and resiliency, however, when large volumes of data in the storage chain must traverse and

sync each node in the network, the process can be slow – thus scaling presents a potential current limitation.

Consideration 4: Data storage models are optimized for solving particular types of problems. Different models exist to meet the specific needs and requirements of the problem to be solved. Currently, the most common types of databases are: relational databases and non-relational databases. The VIS Hub should consider a data warehouse containing relational and non-relational data with multiple data marts for data integration and case-driven analysis.

Consume

The data consumption layer facilitates visualization and delivery of results to targeted business applications. Various techniques and tools for data consumption may be required for secured delivery of event driven results that vary from analytical to operational usage.

A common approach to the consumption layer is called Business Intelligence dashboard. Business intelligence (BI) can be described as a set of techniques and tools for the acquisition and transformation of raw data into meaningful and useful information for business analysis purposes. Known as decision support technologies, their primary purpose is allowing businesses to collect data more quickly and concisely, thus enabling crucial decision-making to take place.

Goals of BI:

- Descriptive (Hindsight)
 - What happened?
 - Static, moving toward real-time
- Diagnostic (Insight)
 - Why did it happen?
- Predictive (Foresight)
 - What will happen?
 - Probabilistic in nature
- Prescriptive (Optimization)
 - How can we make it happen?
 - Providing the optimal answer

Consideration 5: The VIS Hub should consider establishing the conditions for group and role-based access. Each principal user would require the ability to input data within the context of their role. Each principal user would require the ability to report on data they have input into the system; including the termination of their data via an opt-out capability. The system would provide public or role-based reports that require de-identification. Methods for de-identification include; Removal or shuffling of ID's, or other identifiable information when reported; Remove all personally identifiable information for persons when the data enters the system; And abstraction of geographic context of pipeline assets when reporting publicly.

Architecture and Technology Selection

A disciplined technology selection methodology involves technology and licensor comparisons from economic, technical, operability & reliability, and commercial standpoints.

The evaluation criteria are usually listed in three main categories: economics, technology and commercial, with a corresponding weighting for each category. Each of these categories is identified below, in turn.

- Economics, to consider for example:
 - Cost (Capital and/or Operating expenditure);
 - Total operating cost including maintenance & manpower;
 - Economics – ROI, NPV etc.
- Technology, to consider for example:
 - Scale;
 - Performance;
 - Integration
- Commercial, to consider for example:
 - License agreements;
 - Government cloud computing;
 - Intellectual property landscape.

IT Architecture Diagram – PHMSA VIS Cloud Computing and Big Data

As described previously, implementing a robust cloud computing big data system requires careful consideration of economics, technology and commercial aspects in addition to schedule. Increased complexity and scale yields corresponding cost and schedule. The VIS Hub should strive to achieve a state-of-the-art implementation as depicted here, and further detailed in the Appendix:

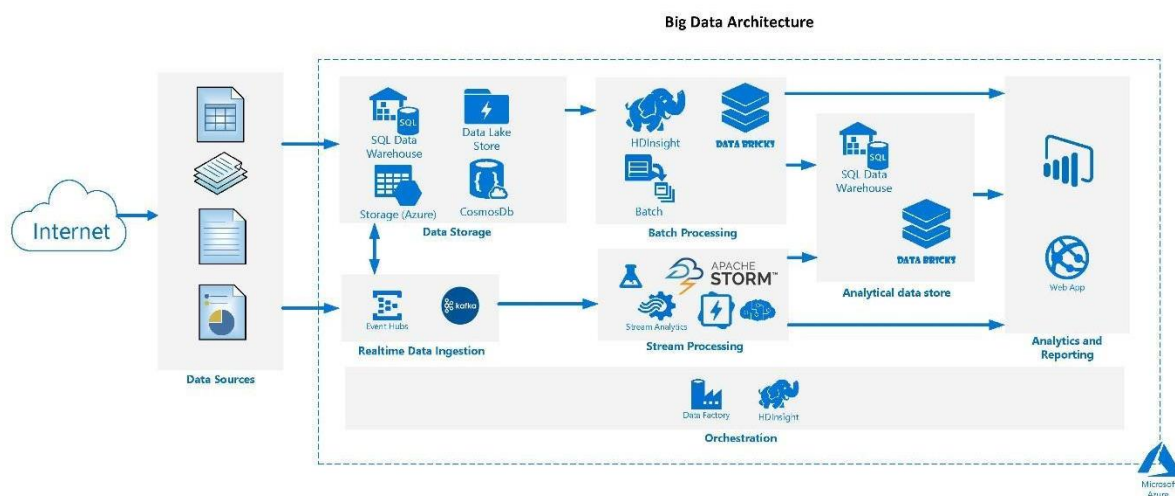


Figure 13

IT Architecture – PHMSA VIS Phased Approach

While a robust system could be in the VIS Hub future the VIS Working Group committee advises starting small and gaining traction rather than an all-in approach. As such a Pipeline Safety Data

system, depicted below, is proposed as the first of a phased approach, consisting of structured, qualified form-based safety information captured via a simple application and storage resident in the VIS hub. The purpose of the app is to prevent accidents and incidents by encouraging employees of participants to voluntarily report safety issues and events. The VIS hub will provide access to the data via a set of clearly defined methods of communication between various software components. These defined methods will support a set of subroutine definitions, protocols, and tools for analysis and reporting purposes.

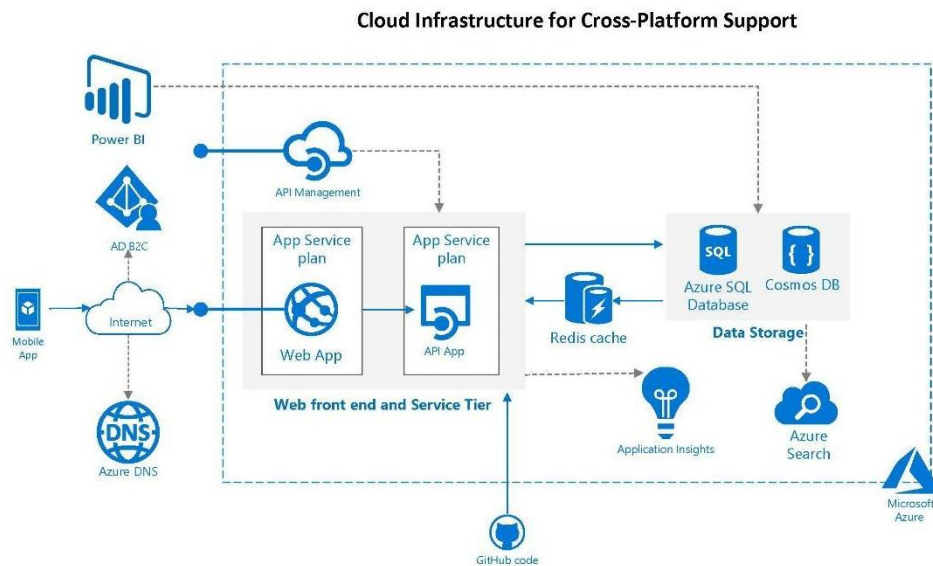


Figure 14

Consideration 6: The VIS Hub should consider starting with a lower cost, quick-win, qualitative system for capturing and sharing safety related incidents around the industry. This system could be first of a phased approach, consisting of structured, qualified form-based safety information captured via a simple application with storage resident in the VIS Hub. The VIS Hub would provide access to the data and support tools for analysis and reporting purposes.

Cyber Security Considerations and Examples

Introduction

Cyber security is concerned with three primary domains, confidentiality, integrity, and availability. Confidentiality refers to only those entities that require having access to information being able to access it. Integrity refers to only those entities that should modify information being able to. Availability refers to the system being up and able to respond to a request when it's required. These definitions and recommendations in this text are based on the NIST 800 standard. NIST 800 is a set of basic standards for Information Security practices used in government agencies and public firms alike. Frameworks, like NIST 800 provide a comprehensive foundation to understand and manage the cyber risk of an information system.

The recommended Voluntary Information Sharing (VIS) System (or Hub) would contain sensitive information and requires strong cyber security practices to be implemented, protecting the data

and systems from an unexpected breach. Further, the system will need to de-identify some information when aggregating and presenting reports to users of the system. Protecting the confidentiality of the pipeline operator, inspection service providers and any others who input data into the system.

Consideration 7: The VIS Hub should consider cyber security protections that follow a well-known standard like NIST 800-53. Cyber security is concerned with three primary domains, confidentiality, integrity, and availability. Confidentiality refers to only those entities that require having access to information being able to access it. Integrity refers to only those entities that should modify information being able to. Availability refers to the system being up and able to respond to a request when it's required. The NIST 800 standard is a set of basic standards for Information Security practices used in government agencies and public firms alike. Frameworks, like NIST 800 provide a comprehensive foundation to understand and manage the cyber risk of an information system.

Cybersecurity Standards and Operations

The VIS Hub would contain information that would have a serious adverse effect on the organization and industry if data were to be breached or interfered with. As such we would rate the security category, as defined in FIPS 199, as {(confidentiality, MODERATE), (integrity, MODERATE), (availability, LOW)}.

The NIST 800-53 outlines many control families and with the aforementioned security categorization, the standard outlines security controls tailored to the FIPS 199 level. It is our recommendation that this baseline be implemented according to the standard. Implementation of this standard would include many normal InfoSec practices, like system patching, vulnerability assessments, incident response planning, encryption and many other good practices.

As required by the NIST 800-53 standard a security operations team would need to be put in place. This team would be responsible for responding to cyber security incidents and performing audits of the environment to ensure expected outcomes. The security operations team would likely be in a shared services capacity within the organization housing the VIS environment.

Consideration 8: The VIS Hub should consider that all data types be categorized using a framework like FIPS 199 to ensure confidentiality, integrity and availability. Following data categorization, a standard like NIST 800-53 could be used to protect the environment. It is proposed that this baseline be implemented according to a standard. Implementation of a standard would include many normal InfoSec practices, like system patching, vulnerability assessments, incident response planning, encryption and many other industry best practices.

Consideration 9: The VIS Hub should consider auditing and monitoring controls to be implemented as part of an overall framework and strategy. This framework includes assurance practices such as management review, risk assessments and audits of the cyber security controls. The audit program should be based on a common and well-known cybersecurity framework and cover sub-processes such as asset management, awareness training, data security, resource planning, recover planning and communications. This includes consideration for use of automated systems/tools to capture and regularly audit system logs looking for suspicious or unexpected

behavior. A strategy to continuously monitor the environment for compliance through audits, self-assessments, and a third-party cybersecurity assessment should also be considered.

Roles Based Authentication

The NIST 800-53 standard calls for specific account management activities as part of the AC-2 control. The committee wanted to point out the specific requirements for establishing the conditions for group and role-based access. These roles and their appropriate permissions need to be built into the system:

- Regulators
- Public
- Service Providers
- Researchers
- Asset Operators
- Trade Associations

Each principal user would require the ability to input data within the context of their role. Each principal user would require the ability to report on data they have input into the system; including the termination of their data via an opt-out capability.

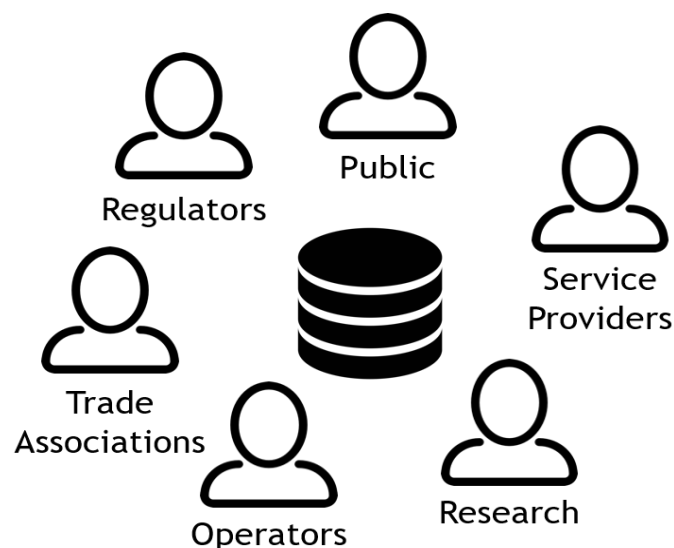


Figure 15

Consideration 10: The VIS Hub should consider the use of a role-based access control mechanism to control dissemination from data marts. These roles and their appropriate permissions need to be built into the system including, but not limited to: Regulators, Public, Service Providers, Researchers, Asset Operators, and Trade Associations. The 3rd party data manager would have full access to the data warehouse. The governance committee will be the sole responsible party to define the authorized access of data in the data mart.

Information Privacy

Privacy of an organizations data is a critical success factor to the VIS. While it is believed a research organization should maintain full access to the raw data in the data warehouse, the system will inevitably provide public or role-based reports that require de-identification. The following recommendations provide guidance for the implementation of privacy concerns:

- Removal of ID's, or other identifiable information when reported.
- Remove all personally identifiable information for persons when the data enters the system.
- Abstraction of geographic context of pipeline assets when reporting publicly.

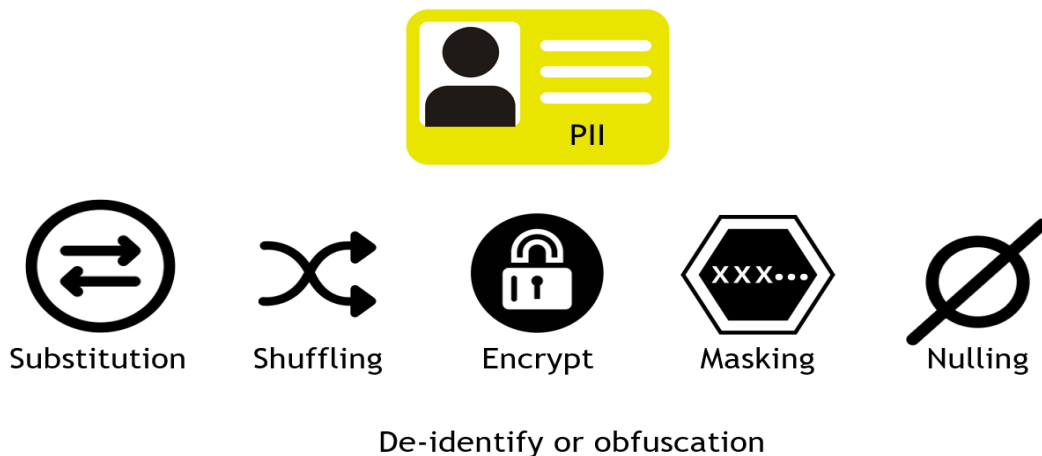


Figure 16

IT Governance Requisite

It will be essential to setup a governance body to ensure the practices listed above are being executed and updated as the VIS matures. The committee recommends the establishment of a governance body that meets quarterly to drive the functionality, security and privacy of the environment.

Best Practices

As discussed in Section 3, “Background and History of Information Sharing,” safety management experts from outside the pipeline industry were invited by the Committee to present information and case studies about the why, what, who, and how of information sharing as an established best practice of safety management system(s) in their industries. The experts were asked what they would do differently if they were starting the information-sharing system today; things they would do more of, as well as less of.

The Best Practices, Process Sharing, and Technology/R&D subcommittees used the information presented to understand what these experts had learned in setting up an information-sharing system in their specific industry’s context and how to leverage existing practices, processes, procedures and governance models currently being utilized in other industries. Especially of interest were existing and ongoing processes that focus on data and information sharing for improving safety performance. In some cases, the level of sophistication and overall systems used are quite elaborate and have evolved over a period of time. As a result of their in-depth evaluation, the Committee recommends that the development and implementation of a VIS consider adoption or development of processes and procedures based on best practices embodied in the COS and ASIAs programs, highlighted in Section 3.

The Committee recommends the consideration of how ASIAs manages data from two distinct information systems that allows for a cycle of continuous safety improvement. For example:

1. Aviation Safety Action Program – The objective of the ASAP is to encourage air carrier and repair station employees to voluntarily report safety information that may be critical to identifying potential precursors to accidents. Under ASAP, safety issues are not resolved through punishment or discipline. The ASAP information is a blend of alpha-numeric, numeric data and text.
2. Flight Operations Quality Assurance (FOQA) – The objective of FOQA is to use flight data to reveal operational situations in which risk is increased to enable early corrective action before that risk results in an incident or accident. A FOQA program is part of the operator’s overall operational risk assessment and prevention program (as described in part 119, section 119.65 and FAA guidance materials), which in turn are a part of the airline operator’s SMS. Data are collected from the aircraft by using special acquisition devices such as a Quick Access Recorder or Flight Data Recorder. The FOQA information is also a blend of alpha-numeric and numeric data.

Compared to the airline industry, there are inconsistencies and gaps in information sharing across the pipeline industry that need to be filled. The Committee recommends standing up a pipeline safety VIS and fostering industry-wide involvement to fill these gaps. The Committee recommends that implementation of a VIS for the pipeline industry should provide for a framework of best practices and fundamental information sharing elements found in other information sharing contexts or in other industries including, but not limited to:

- Governance, policies, procedures and recommended practice;

- Quality Assurance/Quality Control of data, information and knowledge;
- Security of Data and Information including methods to de-identify data and provide anonymity;
- Recognition of potential barriers to participation and methods to mitigate; and
- Communication of results and performance measures.

There is also safety information sharing within the pipeline industry today. To get an idea of the current context of this, safety management experts from integrity management and voluntary safety information sharing initiatives within the pipeline industry were invited by the Committee to present information and case studies about the why, what, who, and how of these current initiatives. This is also described in detail in Section 3.

The Best Practices, Process Sharing, and Technology/R&D subcommittees used the information presented to understand what these experts had learned in the pipeline industry context and how to leverage existing practices, processes, and types of data currently being utilized. After spending time understanding the history of successes and lessons learned in other industries, it became apparent that there were also established voluntary information-sharing system practices within the pipeline industry to draw upon. An example of a specific accepted practice for safety information sharing for gas and hazardous liquids transmission pipelines that was evaluated by the Best Practices, Process Sharing, and Technology/R&D subcommittees, and the VIS WG, was API RP 1163, In-Line Inspection System Qualification Standard (Include RP 1163 TOC in Appendix?). The subcommittees also evaluated a utility-specific program, Pacific Gas & Electric's Corrective Action Program, which allows employees, contractors and other industry stakeholders to report safety concerns.

As a result of their in-depth evaluations, the Committee recommends that pipeline industry engagement and sharing of data and information be encouraged by creating a pipeline safety VIS that in its initial stages builds off of existing and already accepted pipeline industry best practices and standards through collaboration with Pipeline Research Council International (PRCI) and specific efforts by pipeline industry trade associations such as the American Petroleum Institute (API), Common Ground Alliance (CGA) and Interstate Natural Gas Association of America (INGAA) as highlighted in Section 3.

Guidance documents and workflow available from the various associations (API, AOPL, PRCI, INGAA, SGA, AGA, APGA, CGA others) describing their specific initiatives, processes, best practices, protections, performance measures, etc. should be used in the design and initial implementation of the VIS. An industry-wide pipeline safety VIS would enable a broader context for information sharing and allow greater sharing between pipeline operators of the following:

- Lessons learned from failures (including near misses);
- Lessons from unique or unexpected situations and solutions; and
- Lessons learned from routine assessments.

As a result of this evaluation, the VIS WG recommends that the development and implementation of a pipeline safety VIS be considered and implemented by first refining, expanding on, and increasing use of the current practices, processes and types of data being shared based on API RP

1163, specific corrective action programs already created by specific utility companies and operators, and other existing and already accepted industry best practices and standards. This is also mentioned in Section 3.

Opportunities for Pipeline Safety Information Sharing Across the Industry

API RP 1163 provides a consistent means of assessing, using, and verifying in-line inspection (ILI) equipment and the results of inspections across the industry. The standard covers equipment as it relates to data quality, consistency, accuracy, and reporting.

As another important part of Best Practices, the Committee recommends that the participation in and implementation of a VIS for the pipeline industry should complement, build upon, and/or leverage existing information sharing that currently occurs at the operator level, within industry associations or between Operators and Service Providers. The VIS should provide a means to share information, knowledge and solutions relative to high value learning events from existing industry efforts and programs for the benefit of all Operators (regardless of affiliation or not with specific associations or interest groups) and broader audiences or stakeholders. A recommended framework of the various information sharing processes currently in place is included in Figure 5, Section 3.

The framework introduces the concept that the specific organizations identified should have an active role in a VIS and/or at a minimum be a consumer of the available information and ongoing efforts and result of the process. The framework also illustrates that there are various information sharing processes and activities within specific stakeholder groups, as well as across common stakeholders and to some extent across different types of stakeholder groups. As an example, there is active and ongoing interaction and information sharing and collaboration on safety issues amongst Operators, Service Providers, AOPL, PHMSA, GTI and PRCI relative to industry research and development to improve technology and ILI technology. In the context of VIS, this sharing activity and the results of such sharing should be more transparent across the stakeholder groups and move beyond just industry stakeholders to the entire universe and open pathways for those not currently aware of such information sharing and not participating in the sharing to participate. The pipeline safety VIS framework should include the means, processes and systems for sharing data, information, and knowledge among all industry and public stakeholders.

SUPPORTING RECOMMENDATIONS

| | |
|--|--|
| Supporting Recommendation B-1 | A Voluntary Information Sharing system for the energy pipeline industry should not be limited specifically to pipeline in-line inspection data. Considerable value and safety improvement is possible if the sharing is expanded to include all of the elements of an integrity management process including data, information and knowledge relative to the process steps as well as lessons learned from incidents or process improvements, technology deployment practices and solutions to common problems. |
|--|--|

| | |
|--------------------------------------|--|
| Supporting Recommendation B-2 | A Voluntary Information Sharing system for the energy pipeline industry should leverage existing practices, processes, procedures and governance models currently being utilized within the pipeline industry as well as those in other industries. |
| Supporting Recommendation B-3 | A Voluntary Information Sharing system for the energy pipeline industry should complement, build upon, and/or leverage existing information sharing that currently occurs at the operator level, within industry associations or between Operators and Service Providers. The VIS should provide a means to share information, knowledge and solutions relative to high value learning events from existing industry efforts and programs for the benefit of all Operators (regardless of affiliation or not with specific associations or interest groups) and broader audiences or stakeholders. |
| Supporting Recommendation B-4 | A Voluntary Information Sharing system for the energy pipeline industry should provide a framework of best practices found in other information sharing contexts or industries to manage the sharing context and include fundamental elements found in various other businesses or entities including but not limited to: |
| Supporting Recommendation B-5 | A Voluntary Information Sharing system for the energy pipeline industry should provide for transparency and communication of industry capabilities, processes, procedures, technologies, improvements and safety results relative to the value that the sharing process generates. |

9. Recommendations

Primary Recommendations

The Committee unanimously states its conviction that the following three primary recommendations to the Secretary are essential to delivering the benefits of improved pipeline safety and safety management systems through the use of a voluntary information sharing system. The Committee believes that if these primary recommendations are accepted and implemented, the Nation will reap the benefits of improved pipeline safety and pipeline safety management systems. The Committee also believes that if these primary recommendations are rejected or not realized, the VIS effort will not be successful.

| Recommendation No. | Primary Recommendation |
|---------------------------------|--|
| Primary Recommendation 1 | Congress should authorize and stand up a VIS, to include participation by pipeline operators, PHMSA, and other pipeline safety stakeholders. |
| Primary Recommendation 2 | Congress should enact legislation to provide confidentiality, non-punitive, and other legal protections to pipeline operators that participate in the VIS. |
| Primary Recommendation 3 | Distribution System information sharing must be included in the VIS program if meaningful industry incident reduction is to be achieved. |

Supporting Recommendations

The supporting recommendations will ensure that the VIS provides a comprehensive and practical approach to sharing information.

| Recommendation No. | Supporting Recommendation |
|--------------------------------------|---|
| Regulatory, Funding, Legal | |
| Supporting Recommendation R-1 | Authorize and establish legislation for a VIS governance structure. Congress should enact legislation during the PHMSA reauthorization process in 2019 authorizing PHMSA to establish a secure, confidential Voluntary Information-Sharing System (VIS) for the purpose of encouraging the voluntary sharing of pipeline safety information by pipelines and distribution companies and their employees, labor unions, contractors, ILI vendors, and non-destructive evaluation experts, with PHMSA, representatives of state pipeline safety agencies, non-governmental organizations, and other pipeline stakeholders, for the purpose of improving pipeline safety for natural gas transmission, |

| | |
|--|---|
| | <p>natural gas distribution and hazardous liquid pipelines. The proposed legislation should state clearly the intent of Congress with respect to the following:</p> <ul style="list-style-type: none"> k) The VIS is intended to be an entirely new paradigm for analyzing pipeline safety issues that is separate and apart from, but complementary and additive to, existing PHMSA pipeline safety programs, in particular Safety Management Systems l) The VIS should be established and implemented to the maximum extent possible under existing PHMSA authority, with the goal of avoiding unnecessary and time-consuming rulemaking. m) Other than with respect to the VIS incentives described below, the VIS is not intended to change current PHMSA enforcement, regulatory programs or other PHMSA initiatives. n) The VIS is intended to develop its own governance structure, and to create as many VIS programs as it deems necessary to address various areas of pipeline safety. o) The VIS is intended to allow PHMSA, all pipeline and distribution companies, and all pipeline stakeholders, to draw upon anonymous, de-identified safety related information that is currently kept confidential and utilized by individual operators to improve pipeline safety, but which information is not otherwise shared due to confidentiality concerns. p) The VIS system is intended to enable all industry participants to share the rich source of safety information often held only by an individual operator, which will enhance Safety Management Systems across the industry. q) The VIS system analysis of de-identified, voluntarily shared information is intended to deliver tangible, measurable safety benefits to industry participants, PHMSA, and other pipeline safety stakeholders. r) The VIS system's collaborative approach to collecting and analyzing safety related information is intended to enhance pipeline Safety Management Systems, delivering benefits to the public, including a reduction in pipeline releases and related personal injuries and damage to the environment. s) The VIS system is intended to be based solely on voluntary participation. The VIS system shall not be |
|--|---|

| | |
|---|---|
| | <p>transformed into a mandatory program, in whole or in part.</p> <p>The VIS is intended to encourage the widest possible participation by industry. Such participation will only be achieved by providing confidentiality protection for all information submitted to the VIS, along with the VIS incentives described below. It is the intent of Congress to ensure that those protections and incentives are in place. Without such assurance and incentives, operators will not voluntarily share information, thereby depriving the nation of associated improvements in pipeline safety and Safety Management Systems.</p> |
| <p>Supporting Recommendation R-2</p> | <p>Protect VIS Information from disclosure.</p> <p>Congress should enact legislation providing for the protection of safety, security-related, proprietary and other sensitive pipeline safety information provided to the VIS system, for the purpose of encouraging and allowing voluntary safety information sharing by industry. The proposed legislation should clearly state the intent of Congress with respect to the following:</p> <ul style="list-style-type: none"> c) It is intended that neither PHMSA, nor any federal, state, local or tribal agency, nor any person having or obtaining access to the information voluntarily submitted to the VIS system, shall release or communicate that information to any person outside the VIS governing body, with the sole exception being the publication of reports by the VIS or PHMSA based on analysis of de-identified information and safety related findings that the VIS governing body in its sole discretion determines to publish or authorize PHMSA to publish. d) The intent of Congress is to encourage wide-scale industry participation in the VIS system by entities and individuals in order to further the goal of improving pipeline safety in the United States, and that goal can only be accomplished by creating strong confidentiality protections for information voluntarily submitted by those entities and individuals to the VIS system. |
| <p>Supporting Recommendation R-3</p> | <p>Exempt VIS information from FOIA release.</p> <p>Congress should enact legislation providing that PHMSA shall be exempt from releasing under the provisions of the Freedom of Information Act any information that was</p> |

| | |
|--------------------------------------|---|
| | voluntarily disclosed by any company, organization or person to the VIS. |
| Supporting Recommendation R-4 | <p>Incentives for Voluntary Sharing of Information. To encourage the voluntary submission of information to the VIS, Congress should enact legislation providing that neither PHMSA nor any other federal, state, local or tribal agency, nor any entity or person shall initiate enforcement action, punitive action, or litigation (Adverse Actions) against a pipeline operator based solely on information that has been voluntarily provided to the VIS. This prohibition is not intended to limit PHMSA or other parties from Adverse Actions against pipeline operators based on facts established independently and separate from the VIS process, with the exception of facts arising out of the VIS incentives outlined below, in which case no Adverse Actions shall be permitted.</p> <ul style="list-style-type: none"> e) ILI, NDE and Dig Confirmation. Facts arising out of collaboration of the pipeline operator and its ILI and NDE vendors that are voluntarily reported to the VIS, including if the facts reveal a safety related condition or violation of the operator's procedures, would not subject to any Adverse Actions, provided that the operator promptly prepares and commences a written corrective action program within 30 days following discovery by the operator. In the event that PHMSA, or any other agency or party, during that 30 day period or at a later date, becomes aware of these facts through an inspection or otherwise, no Adverse Actions shall be taken, provided that the operator is preparing or implementing its corrective action program during the 30 day period, or thereafter has implemented or completed its corrective action program. f) Near Misses. Facts arising out of or relating to near misses that are voluntarily submitted to the VIS. g) Non-reportable Releases. Facts arising out of or relating to non-reportable releases that are voluntarily submitted to the VIS. h) Unusual Events or Conditions. Facts arising out of or relating to non-reportable unusual events or |

| | |
|--------------------------------------|---|
| | <p>circumstances that are voluntarily submitted to the VIS.</p> <p>Operators are prohibited from taking any retaliatory action against its employees or contractors who report to the operator any potential violation of PHMSA regulations, or any matter that may be related to facts arising out of the incentive scenarios described above.</p> |
| Supporting Recommendation R-5 | <p>Prohibit the use of VIS information in litigation.</p> <p>Congress should enact legislation providing that any information voluntarily submitted to the VIS shall not be subject to discovery or admitted into evidence in any federal, state, local, tribal, or private litigation or other proceedings. This prohibition does not limit discovery or admissibility into evidence in any civil or criminal proceedings based on facts independently and separate from the VIS process.</p> |
| Supporting Recommendation R-6 | <p>Provide adequate and sustainable funding for the VIS.</p> <p>PHMSA should provide initial seed and sustaining funding. The Secretary in consultation with stakeholders should explore sustainable funding sources including private partnerships.</p> |
| Governance | |
| Supporting Recommendation G-1 | <p>Establish VIS Executive Board</p> <p>There should be a VIS Governing Board. Decisions will be made by consensus of the Board and Co-Chairs. The Board will ultimately decide what consensus means. The Board will have the authority to develop its Governance documents and should oversee the enforcement of the Governance and supporting documents. The Board should have decision making authority over what issues are addressed by the Issue Analysis Teams. Issue Analysis Teams, Third-Party Data Provider, and outside experts may identify issues for consideration by the Board. The Board should appoint members to the issues analysis teams based on the content to be addressed. Board representation should be made up of the following stakeholder groups: PHMSA, pipeline operators, service providers, NAPSIR representatives, trade associations, public representatives, labor unions and universities. The PHMSA Administrator should appoint VIS Executive Board members after consulting with the stakeholder groups. The Board should be involved in the final decision on the third-party provider in accordance with the Federal Acquisition Regulations.</p> |

| | |
|--|---|
| Supporting Recommendation G-2 | Secure Third-Party Information Manager A Third-Party Data Manager should be managed by PHMSA in a Program Management Role and will be a private entity. |
| Supporting Recommendation G-3 | Appoint an Issue Analysis Team Issue Analysis Teams should be appointed by the Executive Board and appointed with technical and subject matter experts in the area addressed. |
| Supporting Recommendation G-3 | Authorize and Appropriate Funding for VIS Initial seed money should be provided from PHMSA and acquired through legislative appropriations and authorizations. Back-up funding should be from the Initial startup through DOT discretionary funding. Contributions from participants should be encouraged. The Executive Board should be charged with developing a long-term funding strategy to sustain VIS. |
| Competence, Awareness, and Training | |
| Supporting Recommendation C-1 | Recommend that job descriptions be authored that define the education, knowledge, skills, abilities, and experience necessary for those working with confidential data and information. This will foster hiring criteria for third-party data administrator. |
| Supporting Recommendation C-2 | Recommend that a process be established to pair VIS analytical staff with Pipeline Operator and other industry subject matter experts (SMEs), including in-line-inspection (ILI) companies and in-the-ditch (ITD) assessment companies. The collaboration is intended to ensure those analyzing the data understand industry lore and discuss meaningful data. An objective of establishing this work environment for this community of practice is to create meaningful reports and metrics such that stakeholders can expand their knowledge and learn the advantages and disadvantages of various types of in-line inspection technologies and methodologies. (Section 10 mandate) |
| Supporting Recommendation C-3 | Recommend that an evaluation process be developed for employees working within the VIS (the “Hub”) to ensure they will: <ul style="list-style-type: none"> • Protect data security • Preserve member anonymity and confidentiality |

| | |
|--------------------------------------|---|
| | The executive board, a third-party data administrator, will mutually agree upon and authorize the evaluation process. |
| Supporting Recommendation C-4 | Recommend that educational materials based on tenants of trust and leadership be developed to market the VIS with the intent to motivate and compel stakeholders to join. A primary objective is to find ways to encourage the exchange of pipeline inspection information which will lead to the development of advanced pipeline inspection technologies and enhance risk analysis. (Section 10 mandate). |
| Supporting Recommendation C-5 | <p>Recommend that initial training be developed to enable the development and implementation of VIS.</p> <p>Distinct Audiences to be trained:</p> <ul style="list-style-type: none"> • Those who input data and information (e.g. employees from ILI Companies, ITD Assessment Companies, Pipeline Operators, Public Advocacy Groups, Federal and State Community Liaisons ...) • Those who work within the system or “the Hub” and are exposed to identified data • Those who receive VIS output. It is the participants in these communities of practice that will expand their knowledge of the advantages and disadvantage of the different types of in-line inspection technology and methodologies. (Section 10 mandate) <ul style="list-style-type: none"> ○ Data Rich (ILI as-found versus as-called feature dimensions and feature signature calibration) ○ Information Rich (info sharing re: unwanted events and continuous improvement) ○ Regulatory Agencies (federal, state, local) ○ Portal for appropriate data available to the public <p>Types of Training:</p> <ul style="list-style-type: none"> • In-Person / Hands-On • Computer Based Training Modules • Train the Trainer <p>Recurring training that promotes the awareness of VIS and data security</p> |

| | |
|--------------------------------------|---|
| Supporting Recommendation C-6 | <p>Recommend that training modules be developed that instruct participants the workflow processes and protocols as recommended by the Process Sharing sub-committee. These modules will likely be phased in as the VIS structure and workflow processes will take time to develop.</p> <ul style="list-style-type: none"> • Trainers could consist of SMEs from across the industry and regulatory agencies • Train participants’ methodology for data submission to include types of input, how to input, format, et cetera. If a form for data and information submittal is created, train to the form. • Train confidentiality requirements as recommended by the Governance sub-committee. <ul style="list-style-type: none"> ○ Robust rules with degrees of separation to preserve anonymity <p>Training modules shall be successfully complete before being allowed to work within the ‘data room’</p> |
| Supporting Recommendation C-7 | <p>Recommend the development of training modules be tailored for the participants, specifically for those working with quantitative data and those working with qualitative information.</p> |
| Process Sharing | |
| Supporting Recommendation P-1 | <p>Define and develop a community of practice that fosters the voluntary sharing and exchange of information related to integrity assessments and risk management.</p> <p>The term community of practice was selected to convey the importance of creating an environment where the stakeholders recognize the importance of information sharing and their interdependency. Each stakeholder group brings value that will improve the overall effectiveness of integrity assessments, managing risk and improving pipeline safety performance. Consider first building the community of practice with a “coalition of the willing,” that grows as successes are realized. Stakeholders should include operators, service providers, regulators, research organizations, organized labor and public representatives.</p> |
| Supporting Recommendation P-2 | <p>Define the types and what information are to be shared to enhance integrity management including integrity assessments and risk management.</p> <p>More detail will be defined based on recommendations made by the Best Practices and Technology and Research and Development Subcommittees.</p> |

| | |
|---|--|
| <p>Supporting Recommendation P-3</p> | <p>Develop a plan (design) for an information sharing center, hereafter referred to as a voluntary information sharing hub. The VIS will share information defined in PS-2 among members of the community of practice define in PS-1 under governance defined by the Mission, Values and Governance Subcommittee.</p> |
| <p>Supporting Recommendation P-4</p> | <p>Adopt API RP 1163 as a starting framework for information sharing between operators and ILI service providers within the VIS HUB and foster its broader use.</p> <p>c. Operators should formalize their use of API RP 1163 with each of their service providers ensuring that learnings can be recognized, documented and shared. API RP 1163 provides a framework for operators and ILI service providers to work together to ensure that assessment results are valid and improvements in the use of ILI are identified. The Process Sharing Subcommittee found in discussions with operators and ILI service providers that RP 1163 is being used but there are opportunities to formalize and institutional its use within organizations and use it more broadly among organizations. The desired future state is one that reflects the integration among stakeholders creating the environment that fosters information sharing.</p> <p>The process can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using technology identified by the Technology and Research and Development Subcommittee.</p> <p>d. An operator’s use of API RP 1163 should be evaluated and audited periodically in conformance with their implementation of requirements of API RP 1173, Section 10, Safety Assurance. Integrate the lessons learned process established herein into the management review process</p> |
| <p>Supporting Recommendation P-5</p> | <p>Develop a process for pipeline operators to share lessons learned from the planning, execution and evaluation of integrity assessments.</p> |

| | |
|--------------------------------------|---|
| | <p>The process may start with operators providing case studies (use cases) of their findings from use of API RP 1163 for ILI, or more generally, other assessment technologies in managing risk and pipeline integrity. The process should produce information on pipe and material properties, coatings, the environment around the pipe, why the assessment was conducted including which threats were being addressed and consequential benefits of the work as applicable. Required information is defined in recommendation x.x (developed by the Technology and Research and Development Subcommittee).</p> |
| Supporting Recommendation P-6 | <p>Define the processes to be used in a VIS Hub to facilitate the sharing discrete data from integrity assessments using information management and sharing technology defined in recommendation x.x (developed by the Technology and Research and Development Subcommittee).</p> |
| Supporting Recommendation P-7 | <p>Consider the evaluation of existing information sharing systems already in use for energy pipelines and select ones to adopt within the VIS Hub to accelerate development and maturity. For example, consider the system developed by PRCI as the foundation for information sharing of ILI information among operators and service providers.</p> |
| Supporting Recommendation P-8 | <p>Develop a process for integrity assessment service providers to share lessons learned from the planning, execution and evaluation of integrity assessments; including in-line inspection, direct assessment, pressure testing and applications of other technology.</p> <p>The process may start with integrity assessment service providers providing case studies of their findings. The process can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using technology identified by the Technology and Research and Development Subcommittee. The process should produce information on pipe and material properties, coatings, the environment around the pipe, why the assessment was conducted including which threats were being addressed and consequential benefits of the work as applicable. Required information is defined in recommendation x.x (developed by the Technology and Research and Development Subcommittee).</p> |

| | |
|--|---|
| <p>Supporting Recommendation P-9</p> | <p>Develop a process for non-destructive evaluation (NDE) service providers to share lessons learned from the planning, execution and evaluation of integrity assessment excavations.</p> <p>The process should produce information on pipe and material properties, why the assessment was conducted including which threats were being addressed, the NDE methods used including reference to specific published methods and consequential benefits of the work as applicable. Required information is defined in recommendation x.x (developed by the Technology and Research and Development Subcommittee).</p> <p>The process can be improved, evolved and matured over time to present the learnings in a manner that data is searchable and can be analyzed using technology identified by the Technology and Research and Development Subcommittee.</p> |
| <p>Supporting Recommendation P-10</p> | <p>Define a process for disseminating lessons learned:</p> <ul style="list-style-type: none"> d. For operators and identify the operator organizations to receive the Lessons Learned, including AGA, AOPL, APGA, API, INGAA, as well as PRCI, GTI, NYSEARCH. e. For government stakeholders and agencies to receive the Lessons Learned, including PHMSA, state and local pipeline safety regulatory authorities. Define why and how the information shared with these organizations is different that the organizations in recommendation x.x. Examples include ... f. For public stakeholder organizations to receive the Lessons Learned, including organized labor and public interest groups such as the Pipeline Safety Trust and the Pipeline Safety Coalition, as well as interested Federal, state and local officials. Define why and how the information shared with these organizations is different that the organizations in recommendation x.x. Examples include ... |
| <p>Supporting Recommendation P-11</p> | <p>Consider development and periodic update of an Integrity Assessment [Management] Compendium to share the state</p> |

| | |
|--------------------------------------|---|
| | of the art with regard to integrity assessment technology, risk assessment, including data integration, and NDE technology. |
| Technology/R&D | |
| Supporting Recommendation T-1 | <p>Adopt a API RP 1163 Framework for Information Sharing</p> <p>The Committee recommends adopting API RP 1163 as a starting framework for information sharing between operators and ILI service providers within the VIS Hub and foster its broader use.</p> |
| Supporting Recommendation T-2 | <p>Develop a Process for Pipeline Operators to Share Integrity Assessment Lessons Learned</p> <p>The Committee recommends that for a pipeline safety VIS to be effectively implemented, a process should be developed for pipeline operators to share lessons learned from the planning, execution and evaluation of integrity assessments.</p> |
| Supporting Recommendation T-3 | <p>Define Processes to Share Discrete Integrity Assessment Data</p> <p>To effectively implement a VIS the Committee recommends that processes be defined to facilitate the sharing of discrete data from integrity assessments using information management and sharing technology defined in the Information Technology System Architecture and Best Practices section below.</p> |
| Supporting Recommendation T-4 | <p>Evaluate Existing Information Sharing Systems in Use</p> <p>The Committee recommends the evaluation of existing information sharing systems already in use for energy pipelines and select ones to adopt within the VIS Hub to accelerate development and maturity. For example, consider the initiative outlined below, under development by PRCI to be the foundation for sharing of pipeline information among its membership.</p> |
| Supporting Recommendation T-5 | <p>Develop a Process for Integrity Assessment Service Providers to Share Lessons Learned.</p> <p>The Committee recommends development of a process whereby integrity assessment service providers can share lessons learned from the planning, execution and evaluation of integrity assessments; including in-line inspection, direct assessment, pressure testing and applications of other technology.</p> |

| | |
|---|--|
| <p>Supporting Recommendation T-6</p> | <p>Develop a Process for NDE Service Providers to Share Lessons Learned</p> <p>The Committee recommends the development of a process whereby NDE service providers can share lessons learned from the planning, execution and evaluation of integrity assessment excavations. The process should produce information on pipe and material properties, why the assessment was conducted including which threats were being addressed, the NDE methods used including reference to specific published methods and consequential benefits of the work as applicable.</p> |
| <p>Supporting Recommendation T-7</p> | <p>Define and Develop a Community of Practice</p> <p>To ensure that broad participation from the industry and other stakeholders is encouraged and continues, the Committee recommends defining and developing a community of practice that fosters the voluntary sharing and exchange of information related to integrity assessments and risk management. The term community of practice was selected to convey the importance of creating an environment where the stakeholders recognize the importance of information sharing and their interdependency. Each stakeholder group brings value that will improve the overall effectiveness of integrity assessments, managing risk and improving pipeline safety performance. Stakeholders should include operators, service providers, regulators, universities and research organizations, organized labor, and public safety advocates.</p> |
| <p>Supporting Recommendation T-8</p> | <p>Consider Conforming to Industry Recommended Practices and Standards to Standardize the Sharing of Qualitative and Quantitative Data</p> <p>In design and development of the VIS system, consideration should be made to conformance to industry recommended practices/standards for standardizing the sharing of qualitative pipeline data (such as lessons learned) and quantitative data (such as in-line inspection results compared to in the ditch findings). Industry recommended practices and standards already represent best practice consensus among the industry stakeholders and include common and consistent terms, definitions, nomenclatures, data types, data formats, procedures and process flows.</p> |
| <p>Supporting Recommendation T-9</p> | <p>Consider Design and Implementation Requirements for Input Validation for System Quality and Consistency.</p> <p>Implementation of a VIS should consider the mechanisms and associated requirements for input validation, to ensure</p> |

| | |
|--------------------------------------|--|
| | <p>quality, and consistency for ingestion into ‘the system’. This includes data validation that ensures the appropriate quality needed for meaningful analysis. This is necessary for the analyses to produce trustworthy lessons learned and trends that lead to continuous improvements and research and development. As data validation will ensure quality and overall trust in the input(s) delivered, it will also enable a tiered approach to quantify the quality/trust whereby the applicable learnings can be warranted and followed up on accordingly for applicable lessons learned and/or continuous improvement. This can be envisioned in a few different ways, including conformance to industry recommended practices/standards; having a dedicated resource (personnel) to vet the information prior to ingress into the system; and, automated routines of the architecture/IT for ingress into ‘the system.’</p> |
| Best Practices | |
| Supporting Recommendation B-1 | <p>A Voluntary Information Sharing system for the energy pipeline industry should not be limited specifically to pipeline in-line inspection data. Considerable value and safety improvement is possible if the sharing is expanded to include all of the elements of an integrity management process including data, information and knowledge relative to the process steps as well as lessons learned from incidents or process improvements, technology deployment practices and solutions to common problems.</p> |
| Supporting Recommendation B-2 | <p>A Voluntary Information Sharing system for the energy pipeline industry should leverage existing practices, processes, procedures and governance models currently being utilized within the pipeline industry as well as those in other industries.</p> |
| Supporting Recommendation B-3 | <p>A Voluntary Information Sharing system for the energy pipeline industry should complement, build upon, and/or leverage existing information sharing that currently occurs at the operator level, within industry associations or between Operators and Service Providers. The VIS should provide a means to share information, knowledge and solutions relative to high value learning events from existing industry efforts and programs for the benefit of all Operators (regardless of affiliation or not with specific associations or interest groups) and broader audiences or stakeholders.</p> |

| | |
|--|---|
| Supporting Recommendation B-4 | A Voluntary Information Sharing system for the energy pipeline industry should provide a framework of best practices found in other information sharing contexts or industries to manage the sharing context and include fundamental elements found in various other businesses or entities including but not limited to: |
| Supporting Recommendation B-5 | A Voluntary Information Sharing system for the energy pipeline industry should provide for transparency and communication of industry capabilities, processes, procedures, technologies, improvements and safety results relative to the value that the sharing process generates. |

10. Conclusion

The Committee looked long and hard at how voluntary information sharing by pipeline operators, with each other, their vendors, PHMSA, and other key pipeline safety stakeholders, might lead to opportunities for pushing pipeline accidents and incidents toward “zero.” This earnest search for a way to translate collaboration into improved Pipeline Safety Management systems (SMS), along with fewer accidents and releases, led the Committee into unexpected territory – the greatest success story in U.S. aviation safety history.

The Committee had the pleasure and benefit of meeting with many experts in aviation safety, including representatives of airlines, ASIAs, the NTSB, and others. The Committee was able to hear first-hand about the recent astonishing improvements in aviation safety in the U.S. that are the direct result of several voluntary information sharing systems, including CAST, ASAP and ASIAs, created and maintained by the airlines, FAA, the NTSB and other aviation safety stakeholders.

This report will include many details and references that show the favorable impact of information sharing systems in aviation. Here we summarize the story, which began in 1997 when a Presidential aviation task force noted the significant improvements in aviation safety in the early 1990s, while at the same time noting that the numbers had plateaued. However, the task force also predicted that the number of flights would double within ten years, which translated into a doubling of aviation disasters within the same period of time, assuming the flat rate of accidents remained the same. Such a predicted outcome was unacceptable to all, which led to the creation of CAST, including the participation of NASA, to find ways to increase aviation safety through the confidential, non-punitive, voluntary sharing of information by airlines with the FAA, the NTSB, and other airline safety stakeholders. Other voluntary information sharing programs were put into place, including ASAP and ASIAs.

At first, only 3 airlines participated. After the FAA and Congress established some confidentiality and non-punitive protections for the aviation operators and employees, enough trust had been established to encourage broader participation by aviation operators and employees. To make a long story short, by 2007, the rate of aviation accidents had fallen by 80 percent.

The positive results of information sharing were embraced by all, improvements in aviation safety have continued, and as of today 99 percent of all aviation companies in the U.S. are participants in one or more of the voluntary information sharing systems, and international programs are growing rapidly.

The Committee examined in great detail how the aviation industry success story might be applied to the pipeline industry, which is structured and regulated differently. Details of the Committee’s work, considerations, and all related recommendations are set out in full in this report.

11. Appendices

Appendix I: Key Terms, Acronyms, and Definitions

AA: American Airlines

American Airlines, Inc. is a major U.S. airline headquartered in Fort Worth, Texas, within the Dallas-Fort Worth metroplex. It is the world's largest airline when measured by fleet size, revenue, scheduled passengers carried, scheduled passenger-kilometers flown, and number of destinations served.

AEB: ASIAs Executive Board

The Executive Board that governs the Aviation Safety Information Analysis and Sharing System (ASIAS) procedures, operations and analysis activities.

AGA: American Gas Association

Represents companies delivering natural gas safely, reliably, and in an environmentally responsible way to help improve the quality of life for their customers every day. AGA's mission is to provide clear value to its membership and serve as the indispensable, leading voice and facilitator on its behalf in promoting the safe, reliable, and efficient delivery of natural gas to homes and businesses across the nation.

API: American Petroleum Institute

The largest U.S. trade association for the oil and natural gas industry and the only national trade association representing all facets of the natural gas and oil industry. Membership includes large integrated companies, as well as exploration and production, refining, marketing, pipeline, and marine businesses, and service and supply firms. API's mission is to promote safety across the industry globally and to influence public policy in support of a strong, viable U.S. oil and natural gas industry.

API RP: API Recommended Practice

API documents that communicate recognized industry practices that may include both mandatory and nonmandatory requirements.

AQP: Advanced Qualification Program

A voluntary departure from traditional Federal Aviation Administration (FAA) Part 121 and 135 pilot training methods. Under an approved AQP a pilot need only demonstrate one type of non-precision approaches. AQPs place heavy emphasis on Crew Resource Management.

ASAP: Agency Safety Action Plan

ASAP, together with organizational review, is how the Pipeline and Hazardous Materials Safety Administration (PHMSA) leads by example. It constitutes a model for the entire pipeline sector to take a close look at where safety improvements can be made and to take concrete steps to drive toward enhanced safety in a methodical and comprehensive way.

ASAP: Aviation Safety Action Program

The objective of the ASAP is to encourage air carrier and repair station employees to voluntarily report safety information that may be critical to identifying potential precursors to accidents.

ASIAS: Aviation Safety Information Analysis and Sharing System

Developed by the Federal Aviation Administration (FAA), ASIAS enables users to perform integrated queries across multiple databases, search an extensive warehouse of safety data, and display pertinent elements in an array of useful formats. A phased approach continues to be followed in the construction of this system. Additional data sources and capabilities will be available as the system evolves in response both to expanded access to shared data and to technological innovation.

ASME: American Society of Mechanical Engineers

A not-for-profit membership organization that enables collaboration, knowledge sharing, career enrichment, and skills development across all engineering disciplines, toward a goal of helping the global engineering community develop solutions to benefit lives and livelihoods. Founded in 1880, ASME has grown through the decades to include more than 130,000 members in 151 countries. 32,000 of these members are students.

ASNT: American Society of Nondestructive Testing

A nonprofit organization and technical society for nondestructive testing (NDT) professionals. ASNT publishes and maintains an important standard, SNT-TC-1A, which, with the addition of Codes of Practice ANSI/ASNT CP-189 and ANSI/ASNT CP-105, covers all aspects of qualification and certification of NDT personnel.

ATC: Air Traffic Control

A service provided by ground-based air traffic controllers who direct aircraft on the ground and through controlled airspace, and can provide advisory services to aircraft in non-controlled airspace.

CAST: Commercial Aviation Safety Team

Founded in 1997, CAST has developed an integrated, data-driven strategy to reduce the commercial aviation fatality risk in the United States and promote new Government and industry safety initiatives throughout the world.

CGA: Common Ground Alliance

A nonprofit organization dedicated to promoting shared responsibility in damage prevention. Representing individuals from 15 stakeholder groups and over 150 member organizations, the CGA works cooperatively with all interested stakeholders to identify and implement effective measures to protect the underground infrastructure during excavation activity.

COS: Center for Offshore Safety

An industry-sponsored group focused exclusively on offshore safety on the U.S. Outer Continental Shelf (OCS) that is responsible for developing of good practices for the offshore industry in safety

management systems (SMS), industry continuous improvement, outreach and facilitation with government and external stakeholders.

DA: Direct Assessment

Direct Assessment is one of the PHMSA approved integrity assessments for external corrosion, internal corrosion or stress corrosion cracking on a pipeline.

Dig Verification Data

Validation measurement, as defined in API Recommended Practice 1163, which is the collection of information “in the ditch” (ITD) during a dig, or an above-ground anomaly from an anomaly identified for investigation and compared to the results of an ILI result.

DIRT: Damage Information Reporting Tool

A secure online database that allows damage prevention stakeholders to anonymously submit information about underground damages and near-miss incidents. DIRT then determines root causes, promotes underground damage prevention education and training efforts, and creates an industry-wide picture of opportunities to improve safety.

ECDA: External Corrosion Direct Assessment

A structured process that is intended to improve safety by assessing and reducing the impact of external corrosion on pipeline integrity. This standard is intended for use by pipeline operators and others who must manage pipeline integrity.

EDGAR: Electronic Data Gathering, Analysis, and Retrieval

A system of filings by corporations, funds, and individuals. It is intended to benefit electronic filers, enhance the speed and efficiency of Securities and Exchange Commission (SEC) processing, and make corporate and financial information available to investors, the financial community and others in a matter of minutes.

FAA: Federal Aviation Administration

The FAA mission is to provide the safest, most efficient aerospace system in the world; striving to reach the next level of safety, efficiency, environmental responsibility and global leadership.

FACA: Federal Advisory Committee Act

An act that ensures that all advice given by the various advisory committees formed over the years is objective and accessible to the public. It provides a process for establishing, operating, overseeing and terminating these advisory bodies.

FAF: Financial Accounting Foundation

An independent, private-sector, nonprofit organization responsible for the oversight, administration, financing and appointment of the Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board (GASB).

FASB: Financial Accounting Standards Board

A private, nonprofit organization standard-setting body whose primary purpose is to establish and improve financial accounting and reporting standards, to include the U.S. Generally Accepted Accounting Principles (GAAP).

FERC: Federal Energy Regulatory Commission

The U.S. federal agency that regulates the transmission and wholesale sale of electricity and natural gas in interstate commerce and regulates the transportation of oil by pipeline in interstate commerce.

FIPS 199: Federal Information Processing Standard 199

Standards for Security Categorization of Federal Information and Information Systems, is an important component of a suite of standards and guidelines that National Institute of Standards and Technology (NIST) has developed to improve the security in federal information systems, including those systems that are part of the nation's critical infrastructure.

FOQA: Flight Operations Quality Assurance

FOQA uses digital flight data from normal line operations to provide insight into the safety of flight operations. It allows for objective comparison of an aircraft's performance against a company's own Standard Operating Procedures. This safety-critical insight highlights any occurrence where safety may have been compromised and gives a company an opportunity to implement corrective actions. As such, it forms a key element of a company's Safety Management System (SMS).

Form 8-K: Current Report Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

A report of unscheduled material events or corporate changes at a company that could be of importance to the shareholders or the Securities and Exchange Commission (SEC). It also notifies the public of events reported, including acquisition, bankruptcy, resignation of directors or a change in the fiscal year.

Form 10-Q: U.S. Securities and Exchange Commission Form 10-Q

A SEC form that serves as comprehensive report of a company's performance that must be submitted quarterly by all public companies to the SEC.

FR: Federal Register

The official journal of the U.S. Federal Government that contains rules, proposed rules, and public notices of Federal agencies and organizations, as well as executive orders and other presidential documents.

FRA: Federal Railroad Administration

Created by the Department of Transportation (DOT) Act of 1966, the FRA is one of ten agencies within DOT concerned with intermodal transportation, safety, and efficient movement of people and goods.

GAAP: Generally Accepted Accounting Principles

A collection of commonly-followed accounting rules and standards for financial reporting, set to ensure that financial reporting is transparent and consistent from one organization to another.

GAJSC: General Aviation Joint Steering Committee

A public-private partnership working to improve general aviation safety. The GAJSC uses a data-driven, consensus-based approach to analyze aviation safety data and develop risk reduction efforts.

GASB: Governmental Accounting Standards Board

A private, non-governmental organization that is the source of generally accepted accounting principles (GAAP) used by state and local governments in the United States. Its mission is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial report. The GASB is subject to oversight by the Financial Accounting Foundation (FAF).

GIS: Geographic Information System

A system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data. GIS applications are tools that allow users to create interactive queries, analyze spatial information, edit data in maps, and present the results of all these operations.

GTI: Gas Technology Institute

GTI works to solve important energy challenges, turning raw technology into practical solutions that create exceptional value for our customers in the global marketplace. It is driven by its main objectives being expansion and promotion natural gas and clean energy resources, ensuring reliable delivery infrastructure, and reduction of carbon emissions to the environment.

HT: Hyper-Threading Technology

Intel's simultaneous multi-threading design that allows a single processor to manage data as if it were two processors by handling data instructions in parallel rather than one at a time. HT is designed to improve system performance and efficiency.

HUB: A group of people or community of practice who are authorized to work with “identified” data submitted by VIS participants.

ICDA: Internal Corrosion Direct Assessment

A process that can be used to assess pipeline integrity, based on identifying areas along the pipeline where internal corrosion is most likely to exist.

ILI: In-Line Inspection

Typically refers to the tool but can also refer to the process of in-line assessment.

IMP: Integrity Management Programs

Pipeline safety regulations include requirements for operators of hazardous liquid and natural and other gas transmission and distribution pipelines to develop and implement comprehensive

integrity management programs. These integrity management regulations are codified in Title 49 of the Code of Federal Regulations (CFR) Part 195, § 195.452 for hazardous liquid pipelines, Part 192, Subpart O for gas transmission pipelines, and Part 192, Subpart P for gas distribution pipelines.

INGAA: Interstate Natural Gas Association of America

A trade organization that advocates regulatory and legislative positions of importance to the natural gas pipeline industry in North America. INGAA is comprised of 27 members, representing a large majority of the interstate natural gas transmission pipeline companies in the U.S. and Canada. INGAA members operate almost 200,000 miles of pipeline. PHMSA oversees the industry's safety efforts, while the Federal Energy Regulatory Commission (FERC) is responsible for the economic regulation of pipelines.

IOT: Internet of Things

The interconnection via the Internet of computing devices embedded in everyday objects, enabling them to send and receive data.

ITD: In the Ditch

Methods used by technical personnel to examine anomalies on pipe.

KPI: Key Performance Indicator

A metric that demonstrates how effectively key objectives are being met. KPIs for the VIS would demonstrate the amount of voluntary participation and data available for the analyses that would drive technological and safety improvements.

MD&A: Management Discussion and Analysis

The section of a company's annual report in which management provides an overview of the previous year's operations and how the company performed financially.

MRO: Maintenance, repair and overhaul

An essential requirement to ensure that commercial aircraft are maintained in pre-determined conditions of airworthiness to safely transport passengers and cargo.

NAPSR: National Association of Pipeline Safety Representatives

A nonprofit organization of state pipeline safety regulatory personnel who serve to promote pipeline safety in the United States and its territories. NAPSR members support the safe delivery of pipeline products by conducting inspections of pipeline operators to determine compliance with applicable state and federal pipeline safety requirements under a certification agreement.

NDE: Nondestructive Examination

Inspection techniques used to evaluate and measure anomalies or damage to a pipe. Common techniques include magnetic particle inspection, ultrasonic inspection and X-ray.

NIST: National Institute of Standards and Technology

NIST is a U.S. government non-regulatory agency that promotes U.S. innovation and industrial competitiveness by advancing measurement science, standards, and technology in ways that enhance economic security and improve our quality of life.

NPMS: National Pipeline Mapping Systems

A dataset containing locations of and information about gas transmission and hazardous liquid pipelines and Liquefied Natural Gas plants which are under the jurisdiction of the PHMSA. The NPMS also contain voluntarily submitted breakout data, which is used by PHMSA for emergency response, pipeline inspections, regulatory management and compliance, and analysis purposes. It is used by government officials, pipeline operators and the general public for variety of tasks, including emergency response, smart growth planning, critical infrastructure protection and environmental protection.

NTSB: National Transportation Safety Board

An independent U.S. government investigative agency responsible for civil transportation accident investigation. In this role, the NTSB investigates and reports on aviation accidents and incidents, certain types of highway crashes, ship and marine accidents, pipeline incidents, and railroad accidents. The NTSB is also in charge of investigating cases of hazardous materials releases that occur during transportation.

OCS: U.S. Outer Continental Shelf

The OCS consists of the submerged lands, subsoil, and seabed in a specified zone up to 200 nautical miles or more from the U.S. coastline. It is regulated by the U.S. Federal government through the Outer Continental Shelf Lands Act. The OCS refers to 1.7 billion acres of Federal submerged lands, subsoil, and seabed generally beginning 3 nautical miles off the coastline (for most states) and extending for at least 200 nautical miles to the edge of the Exclusive Economic Zone, or even farther if the continental shelf extends beyond 200 nautical miles. The OCS has been divided into four regions: Atlantic, Gulf of Mexico, Pacific, and Alaska.

PCAOB: Public Company Accounting Oversight Board

A private-sector, nonprofit corporation established by Congress to oversee the audits of public companies to protect investors and the public interest by promoting informative, accurate, and independent audit reports. It also oversees the audits of brokers and dealers, including compliance reports filed pursuant to federal securities laws, to promote investor protection.

PG&E: Pacific Gas and Electric

An American investor-owned utility with publicly traded stock that is headquartered in San Francisco, CA. PG&E provides natural gas and electricity to most of the northern two-thirds of California, from Bakersfield almost to the Oregon border which represents 5.2 million households. It is overseen by the California Public Utilities Commission.

PHMSA: Pipeline and Hazardous Materials Safety Administration

A Federal agency under the U.S. Department of Transportation. It oversees the nation's pipeline infrastructure and develops and enforces regulations for the safe, reliable, and environmentally sound operation of pipeline transportation. It is responsible for daily shipments of hazardous materials by land, sea, and air.

PIPES Act: Pipelines and Enhancing Safety Act of 2016

Congressional mandate that strengthens PHMSA's safety authority and includes many provisions that will help PHMSA fulfill its mission of protecting people and the environment by advancing the safe transportation of energy and other hazardous materials.

POD: Probability of Detection

The probability of a feature being detected by an ILI tool.

POF: Probability of False Call

The probability of a non-existing feature being reported as a feature.

POI: Probability of Identification

The probability that the type of an anomaly or other feature, once detected, will be classified correctly (e.g. a metal loss, dent, etc.)

PQ: Personnel Qualification Standard

A written list of knowledges and skills a person must have to qualify for specific types of jobs or roles.

PRCI: Pipeline Research Council International

PRCI was established in 1952 as the Pipeline Research Committee of the American Gas Association (AGA) and became an independent not-for-profit corporation in 2000. PRCI's initial charter was to confront the problem of long-running brittle fracture in natural gas transmission pipelines. Although initially an organization focused solely on pipelines in North America, PRCI began to broaden its membership and technical perspectives beginning in 1980 with many members from outside of North America.

R&D: Research and Development

A series of investigative activities to improve existing products and procedures or to lead to the development of new products and procedures.

RCFA: Root Cause Failure Analysis

The process of identifying the most basic reason for a failure which, if eliminated or corrected, would have prevented it from existing or occurring. That "basic reason" is generally referred to as the root cause. There can be and often are multiple causes involved when a failure occurs.

SCCDA: Stress Corrosion Cracking Direct Assessment

A procedure that can identify areas where either near-neutral-pH or high-pH stress corrosion cracking can occur on external pipe surfaces.

SEC: Securities and Exchange Commission

A group that protects investors, maintains fair, orderly and efficient markets, and facilitates capital formation, to promote a market environment that is worthy of the public's trust.

Section 10 of Public Law 114-183 (Information-sharing System)

Not later than 180 days after the date of the enactment of this Act, the Secretary of Transportation shall convene a working group to consider the development of a voluntary information-sharing

system to encourage collaborative efforts to improve inspection information feedback and information sharing with the purpose of improving gas transmission and hazardous liquid pipeline facility integrity risk analysis. The Secretary shall publish the recommendations provided under subsection (c) on a publicly available Website of the DOT.

Securities Exchange Act of 1934

With this Act, Congress created the Securities and Exchange Commission (SEC). It empowers the SEC with broad authority over all aspects of the securities industry.

SGA: Southern Gas Association

The SGA mission is to grow individuals and advance the industry by linking people, ideas and information. SGA supports member company volunteers and industry leaders who work to actively engage the industry for a sustainable tomorrow.

Smart Pig

An inspection device that is sent down a pipeline and propelled by the pressure of the product flow in the pipeline itself. A smart pig records information about the internal conditions of a pipeline.

SME: Subject Matter Expert

A subject-matter expert is a person who is an authority in a particular area or topic.

SMS: Safety Management System(s)

A formal, top-down, organization-wide approach to managing safety risk and assuring the effectiveness of safety risk controls. It includes systematic procedures, practices, and policies for the management of safety risk.

SPI: Safety Performance Indicators

The process of measuring and monitoring safety-related outcomes associated with a given operational system or organization.

Stakeholder

A party that has an interest in PHMSA and can either affect or be affected by its pipeline safety regulations, policy, and applicable pipeline safety mandates/laws. The primary stakeholders are Congress; federal, state, local, and tribal governments; industry associations and service providers; pipeline operators and owners; safety advocates and non-government organizations; and public representatives and the public.

U.S. DOT: U.S. Department of Transportation

A federal cabinet department under the U.S. Government responsible for matters of transportation and governed by the U.S. Secretary of Transportation.

VIS: Voluntary Information-sharing System

VIS is designed to encourage collaborative efforts to improve inspection information feedback and sharing. The purpose of this effort is to improve gas transmission and hazardous liquid pipeline facility integrity risk analysis.

VIS WG: Pipeline Safety Voluntary Information-sharing System Working Group

A Federal Advisory Committee established to fulfill Section 10 of the “Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act” of 2016. The VIS WG will provide the Secretary of Transportation with independent recommendations on the development of a VIS.

XBRL: eXtensible Business Reporting Language

An XML (eXtensible Markup Language) standard for tagging business and financial reports to increase the transparency and accessibility of business information by using a uniform format.

Appendix II: Subcommittee Members

| VIS Working Group Subcommittee Membership | | | | | | | |
|---|----------------------------|----------------------|-----------------------|---------------------|---------------------------------|--------------------------------|----------------------|
| Role | Mission and Objectives (7) | Process Sharing (17) | Best Practices (12) | Technology/R&D (14) | Training and Qualifications (7) | Regulatory, Funding, Legal (6) | Reporting (6) |
| Alternate Designated Federal Officials (ADFO) | Nancy White | Sherry Borener | Max Kieba | Chris McLaren | Douglas White | Michelle Freeman | Karen Lynch |
| PHMSA Support Staff | | | | Amy Nelson | Hung Nguyen | Amal Deria | Cheryl Whetsel |
| | | | | Paul Mountkhaty | | Tewabe Asebe | Nancy Scibek |
| | | | | | | Paul Mountkhaty | |
| Committee Members | Dan Cote (Chair) | Mark Hereth (Chair) | Eric Amundsen (Chair) | Bryce Brown (Chair) | Leif Jensen (Chair) | Randy Parker (Chair) | Simona Perry (Chair) |
| | Joe Subsits | Dan Cote | Leif Jensen | Chris Warner | Bob Buchanan | Leif Jensen | Kate Blystone |
| | Walter Jones | Mike LaMont | Mark Hereth | Bob Buchanan | Yiming Deng | Holly Pearen | Holly Pearen |
| | Randy Parker | Mark Zuniga | Mike LaMont | Mark Zuniga | John MacNeill | Eric Amundsen | Walter Jones |
| | Holly Pearen | Joe Subsits | Joe Subsits | Yiming Deng | Michael Keller | | Randy Parker |
| | Leif Jensen | Alicia Farag | John MacNeill | Jason Cradit | Michelle Thebert | | |
| | | Kate Blystone | Kate Blystone | Michael Keller | | | |
| | | Leif Jensen | Bryce Brown | Alicia Farag | | | |
| | | Eric Amundsen | Walter Jones | Holly Pearen | | | |
| | | Bryce Brown | Randy Parker | Eric Amundsen | | | |
| | | Walter Jones | | Michael Bellamy | | | |
| | | Michelle Thebert | | | | | |
| | | Randy Parker | | | | | |
| | | Chris Warner | | | | | |
| External Members | | Warren Randolph | Cliff Johnson | Cliff Johnson | | Dane Jaques | |
| | | Drew Helve | | Jason Skow | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

Appendix III: Subcommittee Task Statements

Process Sharing

In the spirit of improving pipeline safety and technology development, this subcommittee will produce a recommendation to the VIS working group for identification and improvement of the types of information and data shared among key stakeholders. Examples of stakeholders may include; congress, state and federal regulators, industry associations and service providers, hazardous liquids and gas transmission operators, gas distribution operators, public representatives and the public. This will be accomplished through subcommittee deliberation, coordination with other subcommittees, consultations with outside experts, and synthesis of information collected during the subcommittee deliberation period. This includes (but is not limited to) Root Cause Analyses, “Good catches”– Close Calls, Safety Management Systems Lessons Learned, Mitigative Measures and Pipeline Assessment Processes and Data.”

Technology/R&D

Support Committee by Recommending Secure System(s) Architecture. Make recommendations required for continuous improvement and/or needed development of Technologies and Methodologies.

The primary mandate requirement(s) addressed by this subcommittee are;

- Ways to encourage the exchange of pipeline inspection information and the development of advanced pipeline inspection technologies and enhanced risk analysis.
- Opportunities to share data, including dig verification data between operators of pipeline facilities and in-line inspector vendors to expand knowledge of the advantages and disadvantages of the different types of in-line inspection technology and methodologies.
- Options to create a secure system that protects proprietary data while encouraging the exchange of pipeline inspection information and the development of advanced pipeline inspection technologies and enhanced risk analysis.

The Tech Subcommittee will pursue the identification of necessary components of a collaborative system (enterprise technology, information, and infrastructure) that can maintain proprietary and highly sensitive data and facilitate the seamless exchange and analysis of relevant pipeline inspection information (quantitative) across the industry from various assessment technologies/methods for improved pipeline safety, improved comprehension (capabilities/limitations), continuous improvement (need, functionality), further research and development, and threat/risk analysis purposes.

Best Practice

Evaluate existing processes (including other industry VIS models and practices) and make recommendations on best practices that will promote the sharing of data and information in order to accomplish:

- Active participation of all stakeholders; compelled by the value proposition
- Integrity management process and technology improvements

- Identification of current industry VIS processes and systems (PRCI, API, INGAA, SGA, Service Providers) and assessment of active participation by stakeholders
- Identification of current gaps in data, technology and/or analytics that need to be closed
 - Sharing occurs between technology providers and operators
- Sharing of enhanced processes and practices i.e. solutions to known problems including experience with new data/information technology
- Training and education of lessons learned with respect to execution of the various integrity management processes
 - Improved analytics
 - Near misses
- Post incident related RCFA's and subsequent company/regulator learning
 - Systemic or acute process improvements
 - Cultural improvements
 - Technology/Technology deployment improvements
- Communication to and with stakeholders including regulators, public advocacy, public.

Competency, Awareness, and Training (CAT)

People who work within a VIS System need to have an appropriate level of competence in terms of education, training, knowledge and experience. When the program for voluntarily sharing pipeline safety information is established, considerations for implementation should include the following aspects.

- the necessary knowledge, skills, and abilities for key positions within the VIS organization. This would include members of any within VIS "Boards" or "SME (Subject Matter Expert) Teams," as well as employees working with a third-party data administrator;
- hiring criteria for employees as well as selection criteria for positions that are appointed. Once roles have been filled, an on-going evaluation process should be established to ensure that data remains secure and that confidentiality is preserved.
- the assurance that those working with identified data will not compromise the non-punitive nature of the VIS.

The Mission and Objectives (M&O)

In conjunction with the Regulatory, Funding and Legal (RFL) Subcommittee, worked as a team to create the legislative and governance considerations outlined in this section. The intent of the considerations is to provide guidance to create an innovative information sharing system that improves industry standards, standardizes how information is shared, and makes reporting error simpler and less obstructive. The goal is to encourage industry wide participation in the VIS that will lead to industry innovation and safety improvement. While information sharing platforms currently exist within the pipeline industry, these systems are generally closed groups that provide limited access.

Appendix IV: VIS WG Charter

CHARTER

**U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Voluntary Information-Sharing System Working Group**

1. Committee's Official Designation: The committee will be known as the Voluntary Information-Sharing System Working Group (the Group).
2. Authority: The Group is established in accordance with the provisions of section 10 of the Protecting our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2016 (Public Law 114-183), the Federal Advisory Committee Act (FACA) of 1972 (5 U.S.C., App. 2, as amended), and 41 C.F.R. § 102-3.50(a).
3. Objectives and Scope of Activities: The Group shall provide the Secretary of Transportation with independent advice and recommendations on the development of a voluntary information-sharing system to encourage collaborative efforts to improve inspection information feedback and information sharing with the purpose of improving gas transmission and hazardous liquid pipeline facility integrity risk analysis.
4. Description of Duties: The Group shall consider and provide recommendations to the Secretary as specifically outlined in section 10 of Public Law 114-183:
 - a. The need for, and the identification of, a system to ensure that dig verification data are shared with in-line inspection operators to the extent consistent with the need to maintain proprietary and security-sensitive data in a confidential manner to improve pipeline safety and inspection technology;
 - b. Ways to encourage the exchange of pipeline inspection information and the development of advanced pipeline inspection technologies and enhanced risk analysis;
 - c. Opportunities to share data, including dig verification data between operators of pipeline facilities and in-line inspector vendors to expand knowledge of the advantages and disadvantages of the different types of in-line inspection technology and methodologies;
 - d. Options to create a secure system that protects proprietary data while encouraging the exchange of pipeline inspection information and the development of advanced pipeline inspection technologies and enhanced risk analysis;
 - e. Means and best practices for the protection of safety and security-sensitive information and proprietary information; and
 - f. Regulatory, funding, and legal barriers to sharing the information described in paragraphs (a) through (d).

The Secretary shall publish the Group's recommendations on the Department of Transportation's public Web site.

5. Agency or Official to Whom the Committee Reports: The Group reports to the Secretary of Transportation.

All members serve at the pleasure of the Secretary and may be reappointed for additional terms. To the maximum extent practicable, the Secretary will ensure the membership is fairly balanced regarding points of view of the affected interests.

A member appointed for his or her individual views or advice must be appointed as a Special Government Employee (SGE). Other members will serve as Representatives or Regular Government Employees (RGEs).

13. Subcommittees: PHMSA has the authority to create subcommittees. Subcommittees must report back to the parent committee, and must not provide advice or work products directly to PHMSA or the Secretary.
14. Recordkeeping: Records of the committee and subcommittees will be handled in accordance with General Records Schedule 6.2 or other approved agency records disposition schedule. These records will be available for public inspection and copying, subject to the Freedom of Information Act, 5 U.S.C. 552.
15. Filing Date: The filing date of this charter is November 2, 2016.

6. Support: The Pipeline and Hazardous Materials Safety Administration (PHMSA) will provide support as the Group's sponsor.
7. Estimated Annual Operating Costs and Staff Years: The estimated annual operating cost is approximately \$250,000 for travel, meeting space, and recording proceedings, plus one-half of a full-time equivalent in staff support. This amount also covers limited conference management support for meetings provided by a contractor.
8. Designated Federal Officer: The Group's Designated Federal Officer (DFO) must be a full-time or permanent part-time employee appointed in accordance with agency procedures. PHMSA's Deputy Associate Administrator for Pipeline Policy and Programs—or that individual's designee—will serve as the DFO. The DFO will approve or call all advisory committee and subcommittee meetings, prepare and approve all meeting agendas, attend all committee and subcommittee meetings, adjourn any meeting when the DFO determines adjournment to be in the public interest, and chair meetings when directed to do so by the Secretary.
9. Estimated Number and Frequency of Meetings: The Group will meet approximately four times per year.
10. Duration: Continuing; however, the Group's purpose will be fulfilled once its recommendations are published online.
11. Termination: This charter will terminate 2 years after its effective date unless:
 - a. Renewed in accordance with FACA and other applicable requirements or
 - b. The Group is terminated earlier because it has fulfilled the purpose for which it was established.
12. Membership and Designation: The Group will consist of no more than 30 members appointed by the Secretary for a term of 3 years, including representatives from:
 - a. PHMSA;
 - b. Industry stakeholders, including operators of pipeline facilities, inspection technology, coating, and cathodic protection vendors, and pipeline inspection organizations;
 - c. Safety advocacy groups;
 - d. Research institutions;
 - e. State public utility commissions or State officials responsible for pipeline safety oversight;
 - f. State pipeline safety inspectors;
 - g. Labor representatives; and
 - h. Other entities, as determined appropriate by the Secretary.

Appendix V: VIS WG Bylaws

BYLAWS

U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration Voluntary Information-Sharing System Working Group

Section I: Purpose

The purpose of the Voluntary Information-Sharing System (VIS) Working Group is to consider the development of a voluntary information-sharing system to encourage collaborative efforts to improve inspection information feedback and information sharing with the purpose of improving gas transmission and hazardous liquid pipeline facility integrity risk analysis.

The VIS Working Group is a Department of Transportation (DOT) advisory committee. As the VIS Working Group's sponsor, the Pipeline and Hazardous Materials Safety Administration (PHMSA) provides support to the working group.

Section II: Authority

The VIS Working Group is established in accordance with section 10 of the Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2016 (Public Law 114-183), the Federal Advisory Committee Act (FACA) of 1972 (5 U.S.C., App. 2, as amended), and 41 C.F.R. § 102-3.50(a).

Section III: Membership Selection and Appointment

The committee membership size will be in accordance with the VIS Working Group charter and will be large enough to promote deliberations, but will include only the number necessary to achieve the breadth and balance of expertise required to accomplish its mission. Appointments are personal to the member and are not transferrable to another individual. Members may not designate someone to attend in their stead, participate in discussions, or vote.

The advisory committee should have a fairly balanced membership that will be defined by several factors, including: the advisory committee's mission; the geographic, ethnic, social, economic, or scientific impact of the advisory committee's recommendations; the types of specific perspectives required; the need to obtain divergent points of view on the issues before the committee; and the relevance of state, local, or tribal governments to the development of the advisory committee's recommendations.

Membership is voluntary; however, members are expected to attend and participate in meetings, including those held via teleconference or through another electronic medium. Additionally, members may be required to provide written input for reports and recommendations.

The Secretary of Transportation (Secretary) appoints all members for terms of three years. The Secretary may reappoint serving members for additional terms, if warranted. If a vacancy occurs, PHMSA will take action to fill the vacancy. When the VIS Working Group terminates, all appointments to the VIS Working Group will terminate.

Page 1 of 4

Section IV: Meeting Procedures

A. Agenda

- Committee staff will develop the committee meeting agenda with input from the chairperson.
- The Designated Federal Officer (DFO) will approve the agenda for all committee meetings. PHMSA will distribute the draft agenda to committee members prior to each meeting and will publish a summary of the agenda in the Federal Register meeting notice. Non-members, including members of the public, may suggest agenda items.

B. Minutes and Records

- The DFO is responsible for ensuring that minutes of each meeting are taken and copies are distributed to each committee member. If transcription services are used for a meeting, an individual still must take minutes for the meeting. The chairperson must certify the accuracy of the minutes for each meeting. The DFO must ensure that minutes are certified within 90 calendar days of the meeting to which they relate.
- The meeting minutes must include:
 - The time, date, and place of the advisory committee meeting;
 - A list of the people present at the meeting, including advisory committee members and staff, agency employees, and members of the public who presented oral or written statements;
 - An accurate description of each matter discussed and the resolution, if any, made by the advisory committee regarding such matters; and
 - Copies of each report or other documents received, issued, or approved by the advisory committee at the meeting.
- Reports, transcripts, minutes, agendas, handouts, and other documents made available to, prepared for or prepared by the advisory committee for open meetings will be posted on the public docket and on the PHMSA website.

C. Open Meetings

- Unless otherwise determined in advance, all meetings will be open to the public and announced in a notice published in the Federal Register at least 15 calendar days before the meeting. All committee meetings will be held at a reasonable time and in a manner or place reasonably accessible to the public.
- Members of the public may attend any meeting or portion of a meeting that is not closed to the public and, at the determination of the chairperson and DFO, may offer oral comment at such meeting. Meetings will include a period for oral comments unless it is impracticable to do so. The chairperson may decide in advance to exclude oral public comment during a meeting, in which case the meeting announcement published in the Federal Register will note that oral comments from the public are excluded and will invite written comments as an alternative. Members of the public may submit written statements at any time.

D. Closed Meetings

- All or parts of the committee meeting may be closed in limited circumstances and in accordance with applicable law. No meeting may be partially or fully closed unless the request for the closed meeting is approved by DOT's Office of General Counsel

(OGC) 30 calendar days before publication of the Federal Register meeting notice. The meeting notice must cite the specific exemption or exemptions of the Government in the Sunshine Act (GISA), 5 U.S.C. § 552b(c), that justify the closure.

- Detailed minutes for closed or partially closed meetings must also be kept. Minutes from closed meetings will not be posted on the public docket or on the PHMSA website.

Section V: Voting

When a decision or recommendation of the VIS Working Group is required, the chairperson will request a motion for a vote. Any member, including the chairperson, may make a motion for a vote. A quorum is required for a vote. In other words, a majority of the current members of the VIS Working Group must be present – whether attending in person, by teleconference, or through another electronic medium – at a meeting to perform the committee’s statutory duties. The DFO will assure there is adequate representation of members to ensure a fair and comprehensive vote.

Section VI: Roles

A. Chairperson

- Designated by the DFO, is an appointed committee member, and is the presiding officer of the committee who guides efforts to complete assigned tasks.
- May establish subcommittees subject to the DFO’s approval.
- Works with the DFO to establish priorities, identify issues that must be addressed, and determine the level and types of staff and financial support required.

B. DFO

- Serves as the government’s agent for all matters related to the committee’s activities.
- Must approve or call the committee meeting; approves meeting agendas; attends all meetings; adjourns the meetings when adjournment is in the public interest; serves as chairperson when directed by the committee’s sponsor, PHMSA; and monitors the committee’s meetings and progress.
- Ensures there is office space, equipment, supplies, adequate staff support for the committee, and that the following functions are performed: (1) members are notified of the time and place for each meeting; (2) records are maintained for all meetings, including those of subcommittees; (3) the roll is maintained; (4) the minutes are prepared, including those for subcommittees; (5) official correspondence is addressed; (6) official committee records are maintained and papers and submissions are filed and prepared for or by the committee, including those items generated by subcommittees; (7) vouchers for pre-approved expenditures are collected validated and paid; and (8) reports are prepared, including those required under 41 C.F.R. § 102-3.175.

C. Advisory Committee Manager

- Serves as the communication link between the pipeline safety office and the committee members.
- Manages committee meetings and the maintenance of committee records.
- Provides support services for the operation of the committee.

- Responsible for organizational and logistical issues.
- D. Committee Member
- An appointed individual to the committee who attends and participates in committee meetings.
 - Gathers information as necessary to discuss issues presented.
 - Deliberates and provides verbal or written consensus advice to the Secretary.
- E. Committee Staff
- Any Federal employee, private individual, or other party (whether under contract or not) who is not a committee member, and who supports the committee and/or any subcommittees that may be established.

Section VII: Compensation and Expense Reimbursement

Committee members are not compensated for their services. In compliance with FACA, members, while engaged in the performance of their duties away from their home or regular places of business, may be allowed travel expenses, including per diem.

Section VIII: Creating Subcommittees

As deemed necessary, the chairperson may establish subcommittees with PHMSA's approval. It is recommended that all subcommittee members be members of the parent committee. If this is not feasible, at least some members, including the chairperson must be members of the parent committee. Subcommittees of a continuing nature must be listed in the VIS Working Group charter and updated at renewal time. Subcommittee reports must be submitted to the parent committee for review and approval.

Subcommittees may not provide advice or work products or report directly to PHMSA or the Secretary or otherwise act independently of the VIS Working Group.

Appendix VI: Work Group Establishment

The Voluntary Information-sharing System Working Group (VIS WG or Committee) is an advisory committee that was mandated under Section 10 of the “Protecting Our Infrastructure of Pipelines and Enhancing Safety Act” of 2016 (Public Law 114-183), to provide recommendations to the Secretary of Transportation (the Secretary) on the development of a voluntary information-sharing system (VIS) to encourage collaborative efforts to improve inspection information feedback and information sharing with the purpose of improving gas transmission and hazardous liquid pipeline facility integrity risk analysis.

The U.S. Department of Transportation established the Committee in December 2016. The Committee is comprised of 23 members appointed by the Secretary of Transportation for a term of 3-years, and includes: representatives from DOT’s Pipelines and Hazardous Materials Safety Administration (PHMSA); industry stakeholders, including operators of pipeline facilities, inspection technology, coating, and cathodic protection vendors, pipeline inspection organizations; safety advocacy groups; research institutions; state public utility commissions and state officials responsible for pipeline safety oversight; state pipeline safety inspectors; labor representatives; and other entities as determined appropriate by the Secretary.

The Committee was tasked with considering and providing recommendations to the Secretary by December 2018 on the following:

- The need for, and the identification of, a system to ensure that dig verification data are shared with in-line inspection (ILI) operators to the extent consistent with the need to maintain proprietary and security-sensitive data in a confidential manner to improve pipeline safety and inspection technology.
- Ways to encourage the exchange of pipeline inspection information and the development of advanced pipeline inspection technologies and enhanced risk analysis.
- Opportunities to share data, including dig verification data between operators of pipeline facilities and in-line inspector vendors to expand knowledge of the advantages and disadvantages of the different types of ILI technology and methodologies.
- Options to create a secure system that protects proprietary data while encouraging the exchange of pipeline inspection information and the development of advanced pipeline assessment methods and enhanced risk analysis.
- Means and best practices for the protection of safety and security-sensitive information and proprietary information.
- Regulatory, funding, and legal barriers to information-sharing (a though d).

Over the course of two years, the Committee conducted 10 public meetings and numerous subcommittee meetings.

Appendix VII: ASIAs InfoShare Use Case Example



At a previous InfoShare, air carriers and flight crews reported an increasing trend of incorrect, nuisance, or overly conservative terrain awareness warning system (TAWS) alerts and warnings. As a result, the Commercial Aviation Safety Team (CAST) initiated a directed study of TAWS alerts and warnings using a subset of Aviation Safety Information Analysis and Sharing (ASIAs) data.

The study focused on the following problems:

- Flight crewmembers became desensitized to TAWS alerts because unwanted alerts occurred when the aircraft was not in imminent danger.
- Some TAWS alerts are triggered by the interaction of aircraft flight path trajectories and older versions of Enhanced Ground Proximity Warning Systems (EGPWS) software or EGPWS that is not tied to a GPS position.
- Some hotspots for TAWS alerts are on planned procedures while the aircraft is under the control of air traffic control (ATC) or while ATC is issuing radar vectors to the flight crew. Others occur while the flight crew is manually flying the aircraft on a visual approach near terrain.

The study initially was limited to TAWS alerts and warnings in Northern California, which air carriers identified as an area of concern at early InfoShare sessions. The directed study included Oakland International Airport (OAK), San Francisco International Airport (SFO), and Norman Y. Mineta San José International Airport (SJC). CAST used findings from this regional analysis to identify TAWS hotspots across the National Airspace System.

Based on the results from this study, CAST approved the following three mitigations:

Safety enhancement (SE) 120, TAWS Improved Functionality. SE 120 was already in the CAST Safety Plan. This SE included a recommendation for air carriers to install global positioning system (GPS) navigation data, connected to the TAWS unit. Additionally, it recommended timely revisions to TAWS terrain databases and alerting algorithms. The SE also recommended incorporating optional features into TAWS equipment to ensure the accuracy and timeliness of the TAWS warnings and displays. The Joint Implementation Measurement Data Analysis Team developed a supplemental implementation plan to encourage operators to upgrade to the latest version of TAWS and to install GPS equipment.

SE 184, TAWS Minimum Vectoring Altitude (MVA) Reevaluation. This SE was added to the CAST safety plan when analysis revealed adjusting some MVAs could substantially reduce or eliminate the number of TAWS alerts. Once this concern was identified, the Federal Aviation Administration (FAA) initiated steps to review all MVAs to ensure adequate terrain clearance.

SE 185, TAWS and Area Navigation (RNAV) Visual or other procedures. This SE was added to the CAST safety plan to address safety concerns regarding flight crew situational awareness, visual approaches at night, and vectoring inbound traffic over high terrain. RNAV visual approaches are

intended to provide increased terrain separation and reduce TAWS alerts by providing a consistent, repeatable path for inbound traffic.

The FAA started the Optimization of Airspace and Procedures in the Metroplex (OAPM) initiative to systematically study each metroplex and design/implement performance-based navigation (PBN) procedures and airspace changes to optimize the airspace. The changes are scheduled to be implemented by FY 2018.

The OAPM has joined forces with ASIAs.

- Members of the FAA PBN Integration Team and ASIAs briefed the Northern California Terminal Radar Approach Control Facility (TRACON) OAPM study team on TAWS and TCAS hot spots in Northern California (including OAK), which assisted the team in proposing new routing in the vicinity of Mt. Diablo.
- Members of the FAA PBN Integration Team and ASIAs briefed the Southern California TRACON OAPM study on TAWS and TCAS hotspots in Southern California (including Bob Hope Airport (BUR) and Van Nuys Airport (VNY)). The OAPM study team then recommended the Design Team consider raising the BUR Final Approach Fix by 250 ft and adding a T route to offload traffic from a hotspot near VNY/V186.
- All Study and Design Teams also will have access to new modules in [Terminal Area Route Generation, Evaluation and Traffic Simulation](#) (TARGETS) that will allow them to test new procedures to determine if they resolve the current hotspots or generate new ones.

Thanks to InfoShare participants, the issue of TAWS alerts was raised, studied, and mitigated, providing for a 360 degree joint response by industry and government to a safety concern.

Reference: FAA

Appendix VIII: Technology and R&D Subcommittee ILI Case Study Analysis

In-Line Inspection (ILI) as a Best Practice

Introduction

The considerations offered thus far are based on a review and gap analysis informed by two published works: 1) best practices, presented in API 1163, ‘ILI Systems Qualification Standard’, and 2) a case study, published as the PRCI Project NDE-4E, ‘In-line Inspection Crack Tool Performance Evaluation’. Firstly, API Standard 1163 broadly describes the best-practice related to the use of in-line inspection technologies including data requirements, system validation, and qualification of technology and personnel and management systems. In practice, the broad nature of such a standard means that the possible range of implementations intended to satisfy the standard varies widely, increasing the chance for inconsistency and misinterpretation of data records. The considerations focus on improvements in the application of best practice(s) to meet the intention of the codes and standards (e.g. US CFR, API 1163, etc.) which will facilitate information sharing across the industry. Secondly, the case study PRCI ProjectNDE-4E describes the performance of ILI tools as they relate to the measurement of crack and ‘crack-like’ features in pipelines. The considerations based on this case study focus on process and technology gaps to be addressed to support information sharing.

General

In-Line Inspection (ILI) is an efficient and effective integrity assessment method to employ as part of an integrity management program (IMP).

From API 1160 and ASME B31.8S, the IMP process is depicted as follows:

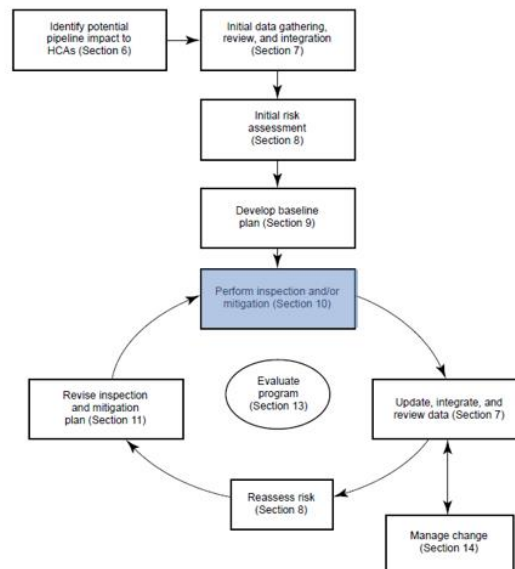


Figure 1 - Integrity Management Process

ILI has been effective in helping the pipeline industry reduce failures for dents/deformations, metal loss, crack/“crack-like”/ and coincident anomalies. It does this by detecting and characterizing pipeline anomalies and identifies potential anomalies before they fail resulting in the opportunity to manage “near misses”. Despite this, pipelines sometimes fail after an ILI inspection indicating the need for continuous improvement and necessary focus on Technology and R&D to further improve ILI Systems, technology and applications. The Voluntary Information-sharing System (VIS) initiative aims to help address these opportunities to improve by sharing best practices and aggregating data from across the industry.

Continuous improvement and Technology and R&D efforts have been ongoing for many decades within the facilities of service providers, some pipeline operators as well as research organizations and engineering firms. This has been driven by market needs; the demand for these services have increased significantly over the past decade and a half, in-line and parallel to the changes to IMPs for High Consequence Areas (HCA’s). It is envisioned that sharing the lessons learned (qualitative) and some discrete data points (quantitative) that a continuous improvement cycle can be established in the pipeline industry, similar to what has been done in others industries such as commercial aviation.

Traditionally, inspection programs have been ILI tool/technology driven. As with an IMP, ILI has a process driven approach. ILI involves much more than simply running a smart pig through the pipeline; rather the tool run, and subsequent data analysis are only one input into an engineering decision process that ultimately leads to action by the pipeline operator to ensure the ongoing integrity of their asset.

As referenced previously, API Standard 1163, ‘ILI Systems Qualification Standard’, describes the overall ILI process. An ILI System includes procedures, personnel, equipment, and associated software. API 1163 references NACE SP0102, ‘Recommended Practice: ILI of Pipelines’, which outlines a process of related activities that a pipeline operator can use to plan, organize, and execute an ILI project. It describes the typical responsibilities of the operator and service provider in that process. It also references ASNT ILI-PQ, ‘Personnel Qualification Standard’, which establishes the general framework for the qualification and certification of industry specific personnel using nondestructive testing methods in the employment of ILI Systems. In addition, the document provides minimum education, experience, training and examination requirements for different types of nondestructive testing methods used by ILI tools/technologies. These three documents form the basis for the successful implementation of ILI into an IMP.

Introduction

The development of API Standard 1163, ILI Systems Qualification Standard, was initiated in 2001 and was first published in 2005 (first edition). The Standard is not ILI technology specific and can, therefore, accommodate present and future ILI System technologies. It is performance-based, but it does not define how to meet qualification requirements. One of the main objectives of this Standard is to foster continuous improvement in the quality and accuracy of ILIs. The Standard describes requirements (what, not how) for the qualification of ILI Systems used in natural gas and hazardous liquid pipelines, including the following:

- a) Inspection service providers make clear, uniform, and verifiable statements describing ILI System performance;
- b) Pipeline operators select an inspection system suitable for the conditions under which the inspection will be conducted. This includes, but is not limited to, the pipeline material characteristics, pipeline operating conditions, and types of anomalies expected to be detected and characterized;
- c) The ILI System operates properly under the conditions specified;
- d) Inspection procedures are followed, before, during and after the inspection;
- e) Anomalies are described using a common nomenclature; and
- f) The reported data and inspection results are within the expected accuracy and quality and described in a consistent format.

The use of an ILI System to manage the integrity of pipelines requires cooperation and interaction between ILI service provider and the pipeline operator. This Standard provides requirements that enable service providers and operators to clearly define the areas of cooperation required and ensures the satisfactory outcome of the inspection process. While service providers have the responsibility to define ILI System capabilities, their proper use, and application, operators bear the ultimate responsibility to;

- a) identify specific risks (threats) to be investigated,
- b) choose the proper inspection technology,
- c) maintain operating conditions within Performance Specification limits,
- d) and confirm inspection results.

ILI System Selection

One of the important aspects covered in section 5 of API 1163 is ‘ILI System Selection’.

The selection of an ILI System relies upon;

- understanding, very clearly, the target threat(s) to integrity,
- understanding the physical and operational characteristics of the pipeline to be inspected, and more specifically any constraints,
- the selection of the appropriate ILI System(s) capable of detecting, characterizing the expected threat(s) to integrity,
- understanding the needed sensitivity of the applied ILI System(s) to detect and characterize the objective threat(s) with sufficient fidelity, resolution and repeatability,
- and the ability of the analysis system (underlying models/algorithms plus analyst procedures, training and competence) to recognize the presence of a anomaly, identify it and size it with confidence.

This important step of ILI System selection allows for an operator to initiate the discussion with the ILI service provider as to the selection of the appropriate ILI System(s) to meet the objective threat(s) to integrity based on the Performance Specification.

Performance Specification

The service provider shall state whether the chosen ILI System can meet the written Performance Specification in that pipeline and under the existing operating conditions, including the specific tool configuration for the proposed run. Filtering or data retention thresholds should be reviewed and established in consideration of the anticipated anomaly population, when applicable.

Another important step is in the understanding of how an ILI Systems Performance Specification is qualified.

It is in this step that requires the ILI service providers to describe the capabilities of their ILI System by means of the Performance Specification.

The Performance Specification covers the following important aspects of the ILI System;

- applicable anomalies, components, features and characteristics
- detection thresholds and probability of detection
- probability of identification
- sizing accuracy
- sizing capability
- limitations

It is important to note the typical anomalies, components, features and characteristics that might be applicable for a given ILI System(s);

- Metal loss
 - Corrosion (external and internal): minimum depth, length, width, and orientation.
 - Gouges: minimum depth, length, width, geometry and orientation
- Cracking anomalies (pipe body or weld). Minimum depth, length, width (opening), orientation, and proximity to other cracks, anomalies, or pipeline components
- Deformation
 - Dents: minimum depth, or reduction in cross-section, or reduction in diameter and orientation
 - Pipe ovality: minimum ovality
 - Wrinkles or 'ripples': minimum height and spacing & orientation
 - Buckles: minimum depth or reduction in cross-section or diameter & orientation
 - Expansion
 - Blisters or mid wall delaminations
- Metallurgical
 - Cold work: presence of and severity
 - Hard spots: minimum diameter of hard spot and difference in hardness between the hard spot and the base material

- Manufacturing anomalies (such as slugs, scabs, and slivers): minimum dimensions and position
- External coating faults: minimum dimensions
- External coating transitions
- Girth welds, seam welds
- Other anomalies, conditions, or pipeline components as required, dependent on industry standards or practices
- Spatially coincident features (e.g. crack in corrosion)

The Performance Specification covers/defines the statistical confidence with which the ILI System (tool plus analysis process) can detect, locate, discriminate and size pipeline anomalies. Such specifications are typically derived using data obtained (statistically valid) by performing large scale tests (pull-, pump-tests) of the ILI System through pipe sections of varying grades and wall thicknesses, invariably containing artificial and/or anomalies.

Section 6.3.2, Essential Variables, is the common set of characteristics or analysis steps for a family (series) of ILI tools (Systems) that may be covered within one Performance Specification.

The Performance Specification shall define and document the essential variables for the ILI System being qualified. Essential variables are characteristics or analysis steps that are essential for achieving desired results. Essential variables may include, but are not limited to:

- Constraints on operational characteristics, such as inspection tool velocity.
- Inspection tool design and physical characteristics, such as:
 - Inspection parameters (e.g. magnet strength, ultrasonic frequency, amplitude, and angle).
 - Sizing system components (e.g. sensor type, spacing, and location relative to the source of the inspection energy).

Changes to the essential variables of a system shall require a new performance specification and qualification. Service provider shall notify operator if any of the essential variables are out of specification for a run so that the operator can make an informed decision as to how to leverage the data.

The Performance Specification for detection and identification of anomalies are typically described as probabilities and expressed as percentages; probability of detection or POD, and probability of identification or POI. The specification for sizing accuracy is typically described by both a tolerance and a certainty; e.g. depth sizing accuracy for metal loss is commonly expressed as $\pm 10\%$ of the wall thickness (the tolerance) 80% of the time (the certainty).

In addition to large scale testing of ILI systems in order to understand performance, the use of Historic Data is also allowed.

Validation measurements from previous runs of an ILI System may be used to qualify a Performance Specification. Validation measurements are dimensions and characteristics that have been physically measured after anomalies have been exposed.

An understanding of the historical uses of ILI by tool/technology, diameter, wall thickness, etc. can be referenced when selecting an appropriate ILI System for a new or upcoming assessment.

System Results Validation

Another important aspect of API 1163 is specifically pertaining to the “ILI System Qualification and Validation”.

It covers such important aspects as;

- Evaluation of System Results
- Using Validation Measurements
- Conclusions on Using Validation Results
- Assessment of ILI Performance

The Performance Specification is subsequently confirmed by comparing predicted results from the ILI System against results as measured in the field on the exposed pipe. However, obtaining such field results in sufficient volume relies on operators being willing to share the findings with their ILI service providers. Moreover, to fully test the Performance Specification, ILI service providers need information not only in those instances where the Performance Specification has not been met, but also those cases where the prediction was successful, across a range of feature/anomaly types, whether potentially injurious or not.

The pipeline operator uses the results from the ILI System to perform detailed engineering assessments on the reported features/anomalies to determine which of them might require attention as part of a preventative maintenance plan. In doing so, they rely on an understanding of the sizing tolerance of the ILI System as described in the Performance Specification.

System qualification and validation is an essential part of anomaly management. Transparency is a pre-requisite to achieve confidence in the results. The feedback loop between operator and service provider is consistent with API 1163, “validation data information from field measurements should (previous edition, shall) be given to the service provider to confirm and continuously refine the data analysis processes”.

Also, operators currently collect information that compares the ILI results with what was subsequently found when the pipeline was excavated, and the anomaly measured using NDE. Analysis of such field verification data would help quantify the frequency with which ILI Systems missed, or mis-classified, or incorrectly sized, thereby providing a means to quantify any gap in capability.

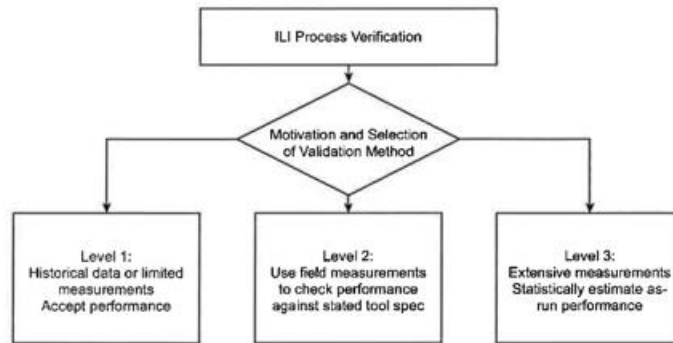


Figure 5 from API 1163, Overview of Three Levels of ILI Validation

After an ILI run, the actual performance of the ILI through proper field verification/validation helps pipeline operators manage pipeline integrity threats and is a key input to risk models. Field verification measurements and associated feedback helps the ILI service provider understand any performance gaps which leads to continuous improvement and the possible need for R&D advancements.

Although data sharing between the operator and ILI service provide does occur, an improved approach is required. API 1163 has been in place, first edition, since 2005. It is now moving towards a fourth edition, and as well, being referenced in the 49 CFR part 195 and 49 CFR part 192. This reference in the CFR's will require operators and ILI service providers to more closely collaborate, specifically when considering the performance of an ILI System and the need feedback of field verification measurements.

This collaborative approach is required to understand, with sufficient transparency, the successful implementation of an ILI System for a given pipeline segment and/or integrity management program.

Appendix IX: R&D Case Study - ILI

How might Voluntary Information-sharing System contribute to continuous improvement of ILI technology?

Introduction

In-line Inspection has been a force for good in the pipeline industry helping reduce failures for corrosion and now doing the same for cracks. However, the VIS initiative started from the premise that pipelines are sometimes failing despite having been inspected, and that ILI technology is therefore in need of further improvement.

ILI is a system that relies upon:

1. Selection of the appropriate tool capable of finding the expected threat.
2. Sensitivity of the sensing technology to see any anomalies with sufficient fidelity and resolution to reliably characterize and measure them.
3. Ability of the analysis system (underlying models plus analyst training and procedures) to recognize the presence of a anomaly, identify it and size it with confidence.

What aspects of ILI performance need improvement? Seeing more things? Being better at discriminating bad things from non-bad things? Being better at sizing bad things? What data is required to help target technology improvement efforts?

Data describing ILI related incidents can help by identifying the limit state events where ILI was found wanting; something was not seen by the tool, or seen but not correctly identified, or identified but mis-sized.

Also, operators currently collect information that compares the ILI results with what was subsequently found when the pipeline was excavated, and the anomaly measured using NDE. Analysis of such field verification data would help quantify the frequency with which ILI tools missed, or mis-classified, or sized wrongly, thereby providing a means to quantify any gap in capability.

Gathering field verification data and incident information across the industry can thus help build a comprehensive picture of ILI capabilities across tool technologies, anomaly morphologies, pipe types (grades and wall thicknesses and vintage). This would serve to demonstrate both where ILI performs well, and the technology's shortcomings.

An additional side benefit of collecting large volumes of dig verification data would be to better describe variability in susceptibility to threats according to pipe type, operating conditions, and geography (soil type, climatic conditions).

Describe broad process

In-line Inspection (ILI) is one of the most efficient and effective methods for evaluating the integrity of a pipeline. However, it involves much more than simply running a Smart Pig through the pipeline; rather the tool run, and subsequent data analysis are only one input into an engineering decision process that ultimately leads to action by the pipeline operator to ensure the ongoing integrity of their asset. API Standard 1163 (2nd Edition 2013) for In-Line Inspection Systems Qualification describes the overall In-line Inspection process, while NACE SP0102 lays out the respective responsibilities of the operator and service provider in that process.

In-line inspection providers describe the capabilities of their technology by means of a performance or reporting specification. The specification defines the statistical confidence with which the in-line inspection system (tool plus analysis process) can detect, locate, discriminate and size pipeline anomalies. Such specifications are typically derived using data obtained by pulling the inspection tools through pipes of varying grades and wall thicknesses, invariably containing machined anomalies.

The performance specification is subsequently confirmed by comparing predicted results from the tool against results as measured on the exposed pipe. However, obtaining such field results in sufficient volume relies on operators being willing to share the findings with their service providers. Moreover, to fully test the performance specification, service providers need information not only in those instances where the specification has not been met, but also those cases where the prediction was successful, across a range of feature types, whether potentially injurious or not.

In-line inspection service providers are constantly trying to improve their respective technology systems, as the performance specification forms the basis of much of the competition between service providers in the industry. Improvements might come in the form of detection of anomalies that were previously undetectable, better discrimination of anomalies that were previously difficult to identify, or improvements in the sizing accuracy with which the dimensions of an anomaly are reported.

The performance specification for detection and identification of anomalies are typically described as probabilities and expressed as percentages; probability of detection or POD, and probability of identification or POI. The specification for sizing accuracy (probability of sizing or POS) is typically described by both a tolerance and a certainty; e.g. depth sizing accuracy for metal loss is commonly expressed as $\pm 10\%$ of the wall thickness (the tolerance) 80% of the time (the certainty).

The pipeline operator takes the output from the smart pig run and performs a detailed engineering assessment on the reported features to determine which of them might require attention as part of a preventative maintenance plan. In doing so they rely on an understanding of the tolerance of the tool system as described in the performance specification. Sharing of data that compare ILI predictions with real world findings, between pipeline operators and In-line Inspection service providers, will feed a virtuous cycle of technology improvement. Shortcomings in performance specification can be identified and addressed by ILI service providers, resulting in improved specifications that in turn enable operators to make better informed decisions regarding the ongoing management of the integrity of their pipelines.

Discuss standards for data delivery/validation

API Standard 1163 In-line Inspection Systems Qualification links the various components of the In-Line Inspection process and establishes the requirements of all parties involved in implementing in-line inspections. The standard goes into details regarding the validation of performance specifications and encourages the development and implementation of new and improved technologies in the future.

The Pipeline Operators Forum (POF), working together with several in-line inspection service providers, produced a document in 2012 entitled Guidance on Field Verification Procedures for In-Line Inspection. Intended as a companion to API1163, it represents industry best practice regarding field data verification and reporting procedures that can be used to support the ILI process.

The Pipeline Operators Forum's Specifications and Requirements for Intelligent Pig Inspection of Pipelines documents industry efforts to standardize the nomenclature used to describe different types of anomalies and their characteristics.

Define inputs needed for meaningful analysis and comparison

Dimensions of the anomaly reported by ILI, compared to the actual dimensions as measured in the field. The field data would need to be validated to allow for differences in measurement technologies, and variability in technician performance. Standardization of terminology will be required to facilitate comparison of like for like anomalies.

Discuss known limitations

Methods for in-ditch validation and data collection vary greatly

- Lack of standardization for in-ditch dig verification is a familiar industry lament. Faced with this challenge, many operators have built their own program bespoke to their own needs. The POF guidance document referenced above was an attempt to drive a common approach.

Variation in results can often exist between field technicians using the same NDE equipment

- Even though NDE field technicians go through a certification process, it is well known in the industry that variability can exist between technicians in the results they might each obtain using the same equipment to measure the same anomaly. With investments in training and procedures, many service providers have been able to overcome this source of variation, but it is nevertheless a potential source of measurement error that needs to be managed.

In the absence of a forum and mechanism for sharing data, ILI validation results are kept in-house.

- Gathering field verification data allows an operator to trust the results provided by their ILI service provider, and therefore build confidence in the efficacy of their overall pipeline integrity assurance program. However, keeping that knowledge within the confines of the operator's business is of limited benefit to the industry at large, whereas gathering such data across multiple operators facilitates pooling of knowledge and sharing of experience to the benefit of all industry stakeholders.

Choice of in-ditch validation technology.

- Not all technologies can be used in all circumstances. Depending on the nature of the anomaly being measured and the context (wall thickness, steel grade, coating), some will be more successful than others. Moreover, differing techniques vary in their ease of deployment, and have different inherent accuracy. It's important that the technique chosen for verification measurements be an order of magnitude more accurate than the primary method (ILI).

Discuss potential outputs that ensure an “apples to apples” comparison

Today, in-line inspection validation results tend to be kept within an operator, or at best shared between operator and ILI service provider. There have been relatively few attempts to collate and share field validation results more broadly, but the most notable recent success has been the NDE-4E project (In-Line Inspection Crack Tool Performance Evaluation) undertaken by Pipeline Research Council International.

The project gathered and analyzed over 50,000 crack features discovered using ILI technologies from 4 different service providers, collected by many different operators, and validated using a range of field Non-Destructive Evaluation techniques. Consequently, the project team of necessity needed to develop methodologies to manage the completeness, consistency and accuracy of the data gathered.

The output of the project served to validate the performance specifications published by the ILI service providers in terms of both detection and sizing. But interestingly the study also highlighted opportunities for improvements in tool specification, and opportunities to improve in-ditch measurement technologies and techniques. As such the study provided valuable signposts for future technology direction.

Discussion of how the outputs would encourage/motivate continuous improvement

PRCI's project NDE-4E is a good example of how data sharing can lead to technology improvement. Indeed, since publication in 2015 of the insights generated by Phase 1 of the project, several ILI service providers have acted to improve their specifications, moving away from sizing cracks within depth “bins” that are based on a maximum depth measurement, toward providing discrete depth sizing with a tolerance.

The output of NDE-4E Phase 1 led to Phase 2 in which results from a broader range of crack detection technologies was incorporated into the project database.

Knowing how different ILI tool types perform when confronted by different anomaly morphologies can help operators in their selection of which technology to deploy in their system. The crack data gathered during NDE-4E came from relatively few, large pipeline operators. However, the results are available to all members of PRCI who are now able to build their own crack management programs with a lower cost of entry, benefiting from the experience of others who have paved the way.

Appendix X: Case Study #2 – External Corrosion Direct Assessment (ECDA)

Process – The ECDA is one of the three external corrosion assessments approved by CFR 49, Part 192, Subpart O. ECDA is often selected because the operating pressure, flow rate or pipeline’s physical configuration make ECDA preferable or because the process provides information that can be used to determine effective mitigation to prevent further external corrosion damage.

ECDA is a four-step pipeline integrity assessment performed by identifying and direct examining the locations on a pipeline with the highest likelihood of significant external corrosion. The four steps are; pre-assessment, indirect inspection, direct examination and post-assessment.

During the pre-assessment step data is gathered to understand the pipeline and corrosion history, and to verify that ECDA is an appropriate tool. Some conditions, such as very deep pipe (depth below grade), DC interference or AC mitigation systems may make it infeasible to obtain meaningful data. The data is utilized to regionalize the pipeline into sections with similar external corrosion characteristics. This regionalization can affect the number of direct examinations performed to assess integrity. The severity of indications identified during the indirect inspections, in concert with the regionalization, determines the number of excavations performed.

The indirect inspection step requires the utilization of 2 or 3 “complementary” indirect inspection tools (IIT) to assess a pipeline’s cathodic protection. The tools often identify sections of pipe with insufficient cathodic protection, coating holidays or soils that are more corrosive. The results from the 2 or 3 tools are integrated to identify “Immediate”, “Scheduled” or “Monitored” indications and the locations with the highest likelihood of corrosion are selected for direct examination.

The direct examination step physically assesses the pipeline at the locations expected to have sustained the worst corrosion. By assessing the areas with the “worst” corrosion, the operator can determine if the conditions warrant additional excavations or if a re-inspection interval can be conservatively applied using the expected half-life of the worst-case corrosion damage identified.

The final step, post-assessment, requires the operator to evaluate the effectiveness of the process and to establish remediation methods for any issues identified. This final step is key to ensuring the assessment has effectively evaluated the pipeline’s integrity and that any active issues are addressed before the next assessment.

How the outputs would encourage/motivate continuous improvement – To ensure participation, the ECDA performance of the individual Operators and service providers needs to remain confidential. However, as the results from ECDA surveys and direct examinations are collected ECDA effectiveness could be provided as bottom quartile, average or top quartile metrics. Knowing these metrics, Operators and ECDA service providers would have the ability to assess their own ECDA processes. These independent assessments should lead to process improvements that raise ECDA effectiveness universally. In addition, the data aggregation could identify preferred techniques or pipeline configurations that aren’t effectively assessed by ECDA. Safety enhancements will result as a continually improving ECDA process should be more effective in the identification of integrity concerns and fewer excavations would be required to verify ECDA

effectiveness. Specifically, a VIS could improve performance and ultimately safety in the following ways:

Operators

If an Operator is aware that its performance is below average, there may be motivation to:

- compare prioritization criteria with other Operators experiencing better correlation,
- review their ECDA process/procedure
- consider changing specifications for data collection, e.g. whether hole drilling is required in asphalt,
- change the criteria specified for the categorization that determines the number of required excavations,
- assess the combination of tools utilized to perform the surveys, or
- utilize a different service provider and compare to the results of a new provider.

ECDA Service Provider

If an ECDA Service Provider is aware that their performance is below average, there may be motivation to:

- assess the quality of data collected by their crews,
- assess the procedures utilized for data collection,
- enhance the training of their personnel, or
- review the tools utilized for data collection

Standards for data validation/delivery – To effectively assess ECDA effectiveness, standards for data collection and quality should be specified. The standards for data collection and quality often vary by service provider. It is this standardization of data collected and the requirements for quality control that may result in significant technical improvements.

For the data collected during indirect inspections, Step 2, improvements could be achieved by establishing minimum requirements and technical qualifications that would reduce the erroneous data collected due to field conditions or technical errors. For the direct examinations, Step 3, improvements could be realized by establishing qualifications for the personnel and standardizing the data collected to assess the external corrosion conditions and the extent of damage.

Inputs needed for meaningful analysis and comparison – For the data delivery, it will be important to standardize on the types of data collected and the units for the data collected.

In addition to the data validation, it is important to document minimum standards for how each tool is used, e.g. spacing of the CIS reads, interrupted survey or not interrupted, identify if holes were drilled through asphalt or not, etc. The following table is an example of key inputs for the tools utilized for ECDA.

| Tool | Data | Units |
|------------------|---|--|
| CIS | Date, Spacing, Interrupted survey?, Asphalt drilled?, On read, Off read, GPS location | mm/dd/yy, ft.c , Yes/No, Yes/No, mV, mV, Lat/Long, |
| DCVG | Date, Sub-meter GPS collection of DCVG indication, %IR, Shift – Start, Shift - End | mm/dd/yy, Lat/Long, mV, mV, mV |
| ACVG | Date, AC current at anomaly, dB μ V reading, Current applied | mm/dd/yy, mA, dB μ V, mA |
| PCM | Date, AC current, GPS location | mm/dd/yy, mA, Lat/Long |
| Soil Res. | Date, Soil res at 5, 10, 20', GPS location | mm/dd/yy, Ohm-cm, Lat/Long |

A key part to the assessment is the NDE data from the direct examination. The NDE data is the “control” for assessing the effectiveness of the ECDA survey. To assess the effectiveness, a minimum set of data and consistent units is also necessary. The following table provides some of the data elements required and recommended units.

| Data | Units |
|----------------------------|---|
| Dig location | Lat/Long, length of excavation |
| Pipe diameter | Inches |
| P/S potential at pipe | mV |
| Soil resistivity | Ohm-cm |
| Coating damage | Extent and location of all coating damage |
| Corrosion damage | Extent and location of corrosion damage, Pf |
| Coating Type | Create standard list of options |
| pH of liquid under coating | |

A consistent data import structure will be key to ensuring that participation isn’t impacted by data import challenges. Since ECDA Service providers typically provide the data in Microsoft Excel, an import module that interacts well with Excel could enhance participation.

Known limitations - The analysis and comparison of ECDA data is challenging because the data collected does not specifically identify anomalies where the pipe material has been affected. Instead, ECDA identifies locations where the pipeline’s cathodic protection (coating and current

applied) has been adversely affected and may be less effective mitigating external corrosion. The ECDA assessment can be affected by time of year and weather conditions that impact the soil and may change the distribution of cathodic protection to the pipeline. Since much of the assessment is based upon current conditions, historical upsets in the cathodic protection or delayed CP installation after construction, may not have been considered when selecting the locations for the direct examination of the pipeline's integrity. This 'not considered' data could lead to the identification of integrity concerns that are more severe than anticipated from the indirect surveys or may impact the correlation between the anticipated severity of the integrity concern and the severity of the anomalies

Because of these factors, the VIS may want to assess ECDA's effectiveness at categorizing the direct examinations as either "Immediate", "Scheduled" or "Monitored". Analysis of a large number of surveys, could identify process improvements or technological improvements that could enhance the effectiveness of ECDA.

Potential outputs that ensure an "apples to apples" comparison - To motivate continuous improvement, performance indicators will need to be developed so that operators can compare their performance to others. Some possible performance indicators could include:

- Actionable anomalies/100 miles of ECDA
- Number of coating indications identified/mile
- % correlation— coating indications vs. coating anomalies identified in Step 3
- Feet of 'Off' readings/mile - less negative than -850mV
- % correlation – Immediate indications vs. corrosion damage identified in Step 3
- % correlation – Scheduled indications vs. corrosion damage identified in Step 3
- % correlation – Monitored or NI indications vs. corrosion damage identified in Step 3

Appendix XI: R&D Case Study #3 Lessons Learned – VIS Continuous Improvement

Process – With an effective system for sharing and accessing relevant “Lessons Learned”, Operators and Service Providers will be able to implement learnings from others to improve the safety and performance of their processes and tools. While there are some vehicles for sharing, lessons learned in industry associations, if the lesson learned comes from a “near miss,” the education is often limited to the parties involved.

For example, a few years ago a service provider performing a direct assessment of a cased pipeline, inadvertently damaged the pipeline while grinding to remove the casing. Thankfully, the grinding penetrated just under 90% of the wall thickness and only a “near miss” occurred. The “near miss” led to the implementation of new work processes and protections to ensure future casing removals did not damage the carrier pipe. Because of limited sharing about the incident, the new procedures, which significantly reduced risk to the Operator and Service Provider, were of little benefit to other operators and service providers who have similar risks.

How the outputs would encourage/motivate continuous improvement – To ensure participation, the parties in the “lessons learned” need to remain confidential. However, as the “lessons learned” are collected, an effective cataloguing and search mechanism could make other Operators and Service Providers aware of the threat and the mitigative actions implemented to address the threat. Safety enhancements will result as awareness of “near misses” and incidents lead to new processes or techniques that reduce the likelihood of a similar incident occurring.

Compiling and cataloguing “lessons learned” could improve safety in the following ways:

Operators

If an Operator is aware of near misses or incidents that could occur during their operations, they may take the following actions to reduce the risk:

- review and enhance existing internal procedures,
- prohibit the use of tools or processes that were contributing factors, and/or
- require Service Providers to develop and utilize procedures that minimize the risk

Service Providers

If a Service Provider is aware of near misses or incidents related to their type of work, they may:

- revise or implement new procedures to minimize the risk, and/or
- change the equipment or tools utilized in the work performance

Standards for data validation/delivery – To effectively access lessons learned, a consistent template would enhance the availability to Operators and Service Providers. The improved awareness and easy access to relevant a specific Operator or Service Provide will enhance the likelihood that lessons learned spread to relevant parties and changes are implemented to improve safety.

Appendix XI: Integrity Assessment Data and Analyses

In-Line Inspection (smart-pig) – Different tool/technology types run inside the pipeline to detect and characterize anomalies caused by manufacturing, corrosion, cracking, or third-party damage. The type of data that could be analyzed includes:

- # of anomalies identified by type
- # of actionable anomalies
- # of actionable anomalies that required repair
- Size of actionable anomalies (w, l, d) as compared to in field measurements
- % of assessment with data collection issues (overspeed, sensor loss, power loss)
- Miles assessed

Direct Assessment (ECDA, ICDA, SCCDA) – Standardized processes that utilize data integration, above ground testing of cathodic protection and environmental factors, direct examinations of the pipe at the locations most likely to have experienced damage and an overall assessment of the process' effectiveness. The types of data that could be analyzed includes:

- Actionable anomalies/100 miles of ECDA
- Number of coating indications identified/mile
- % correlation– coating indications vs. coating anomalies identified in Step 3
- Feet of 'Off' readings/mile - less negative than -850mV
- % correlation – Immediate indications vs. corrosion damage identified in Step 3
- % correlation – Scheduled indications vs. corrosion damage identified in Step 3
- % correlation – Monitored or NI indications vs. corrosion damage identified in Step 3

To effectively assess ECDA effectiveness, standards for data collection and quality should be specified. The standards for data collection and quality often vary by service provider. It is this standardization of data collected and the requirements for quality control that may result in significant technical improvements.

For the data collected during indirect inspections, Step 2, improvements could be achieved by establishing minimum requirements and technical qualifications that would reduce the erroneous data collected due to field conditions or technical errors. For the direct examinations, Step 3, improvements could be realized by establishing qualifications for the personnel and standardizing the data collected to assess the external corrosion conditions and the extent of damage.

Inputs needed for meaningful analysis and comparison – For the data delivery, it will be important to standardize on the types of data collected and the units for the data collected.

In addition to the data validation, it is important to document minimum standards for how each tool is used, e.g. spacing of the CIS reads, interrupted survey or not interrupted, identify if holes were drilled through asphalt or not, etc.

Hydrostatic Testing – This integrity assessment pressurizes a pipeline to a level that results in the failure of any anomalies that would have grown to failure prior to the next assessment. The types of data that could be analyzed includes:

- Miles of hydrostatic testing
- # of failures per mile of testing
- # of failures per mile of pipe that was previously integrity assessed
- Type and dimension of anomaly that failed with associated pressures

Non-Destructive Testing (NDE) – This in-the-ditch testing is to obtain information about anomalies identified by the integrity assessment tools. Usually this testing is performed as the “control” for assessing the effectiveness of an integrity assessment tool’s results. The skill of the NDE technician, the type of data collected, and the quality of the data collection are key to validating the effectiveness. To ensure consistent evaluations of tools’ effectiveness, a minimum set of data and consistent units is also necessary.

Define and publish key metrics that measure the effectiveness of the VIS. In order to build participation and strengthen trust, metrics need to be established to assess the implementation of the VIS. Some possible metrics include:

- Quantitative statistics relative to data and information available,
- number of inspections submitted
- number and variety of operators and service providers participating,
- size of operators participating,
- documentation on any new threats or technologies improvements that were advanced because of the VIS.

Appendix XII: Preventative and Mitigative Efforts

Data and Analyses

Leak Detection – On gas distribution systems, the number of leaks and the type of leaks are key indicators of the main's integrity. The effectiveness of the leak detection process and identification of the leak cause could provide valuable data to the Operator. Key data includes:

- Leaks/mile by Material
- Leaks/mile by Age
- Leaks/mile by Coating
- Leaks/mile by Company (Data will be anonymous but could report average and top/bottom quartiles)
- Frequency of survey
- Type of survey
- # leaks and leak types

Locate and Mark – A key component for reducing 3rd Party Damage is an accurate and timely *Locate and Mark* process. Poor or late markings can result in avoidable 3rd Party Damage. Key data includes:

Locator (Operator or Contractor)

- # tickets
- # tickets/locator-day
- # late locates
- # locate errors
- # 3rd party damage incidents

Geohazard Identification – A pipeline's integrity can be threatened by geohazards such as erosion, landslides or seismic activity. Geohazard identification techniques and the frequency of geohazard remediation may be useful to reduce geohazard threat. Key data could include:

- Identification techniques and frequency
 - Aerial surveys
 - Ground surveys
 - GIS files
- Geohazard events that resulted in actionable responses by the Operator

Appendix XIII: How Voluntary Information Sharing Could Contribute to Continuous Improvement in Pipeline Safety

Varied Stakeholders' Need for Continual Improvement

There are five key stakeholders in the effort to assess and mitigate pipeline integrity concerns; the public, universities and research institutions, operators, regulators and integrity assessment service providers. A VIS would be a benefit to each of these key stakeholders by providing vital information that enhance integrity assessments and improve pipeline integrity. Some of the needs and benefits to these stakeholders are discussed in the following paragraphs.

Operators utilize the guidelines in API 1162 to communicate the presence of and threats to pipelines. However, the public has little visibility into pipeline integrity efforts or effectiveness of those efforts. Increasingly, the public is concerned about the safety and environmental impacts of existing and proposed pipelines. A VIS would enhance awareness of the integrity verifications being performed and the effectiveness of these assessments. Although the current public risk is relatively low, continuous improvement to integrity assessments would result in increasing public safety and decreasing environmental risk.

Universities and research institutions are working to identify potential opportunities to apply the insights from their research endeavors or to support applications for research funding. An effective VIS could enhance awareness of the limitations associated with current pipeline integrity assessments. Universities and research institutions could leverage these limitations to promote current research endeavors or justify research funding. The resulting improvements could lead to continuous improvement of pipeline integrity assessment technologies to the extent of additional needed R&D.

Regulators determine the appropriate response to new threats, and routinely evaluate emerging technologies and unique operator needs in response to special permit applications and changing operating conditions. The technical analysis required to evaluate new threats, special permit applications and state waivers can be time consuming, costly, and of limited applicability. A VIS could provide the data warehouse to assess the magnitude of new threats, the effectiveness of new technologies and the justification for special permits or waivers.

Operators assessing the integrity of their pipelines are faced with a wide array of integrity threats and potential tools/technologies from multiple service providers to choose from. There do exist industry standards/best practices and needed guidance on selecting and validating available tools/technologies and their applicable service providers. This process of tool/technology testing and service provider validation can be significantly enhanced by having the applicable data shared and available in a VIS. A VIS with metrics on the effectiveness of technologies for identifying specific threats will enhance an operators' decision-making when it comes to tool/technology selection as well as helping to establish confidence in that chosen with the associated service provider.

The global community of service providers who supply pipeline integrity assessment tools/technologies and services spend millions of dollars every year on continuous improvement,

research and new product development. The service providers in question target their R&D activities at what they believe to be gaps in the industry's toolkit, hoping that by doing so they will be able to provide tools and services that will enhance Operators' ability to identify and mitigate the threats to pipeline integrity. A VIS would enable these service providers to better identify these gaps and assess their technologies' performance when compared to the 'qualified' field verification measurements from live pipeline operations.

The 'Virtuous Cycle' for Continual improvement

The ability to inform varied stakeholders and identify needed improvements or "gaps" would be likely to motivate a "Virtuous Cycle" where the stakeholders' priorities reinforce a cycle of continually improving technology, threat identification and pipeline integrity improvements. A VIS that shared information with pipeline operators, service providers, regulators, universities and research institutions and the public on the relative performance of the various integrity assessment technologies and processes, could also fuel a continuous improvement cycle.

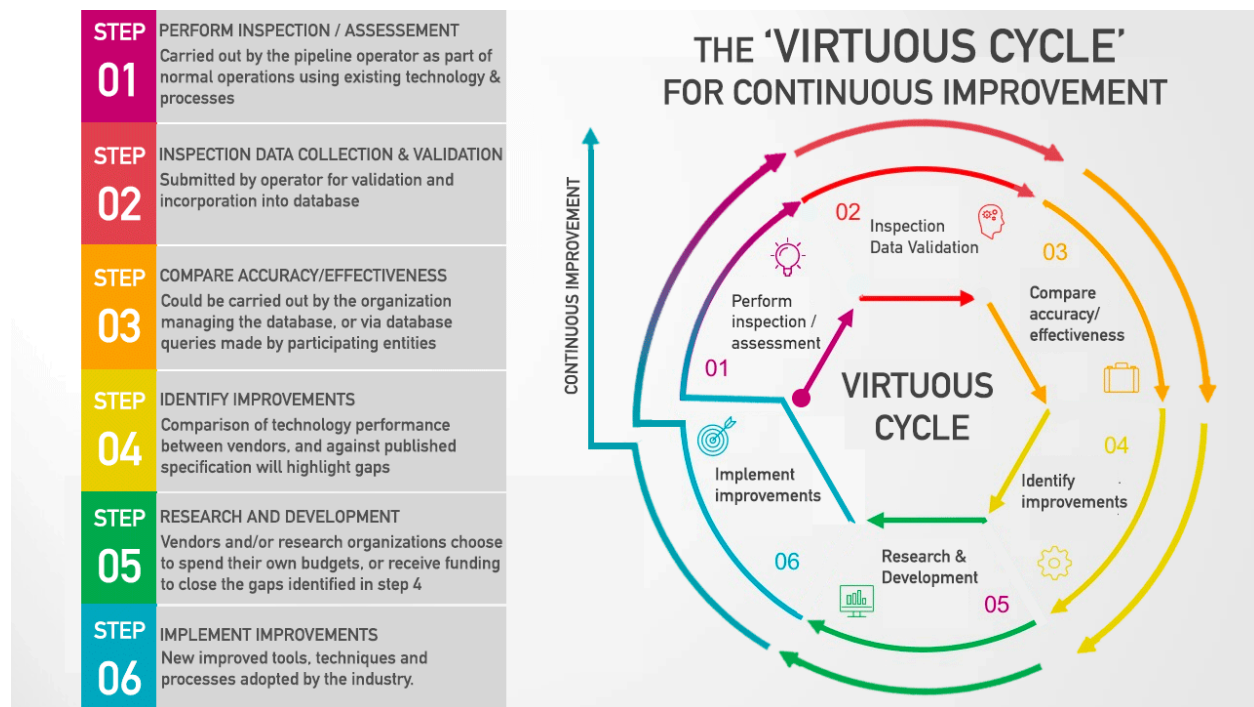
The researchers and developers of technologies and processes would make their investments with greater confidence concerning the gaps they were trying to fill. While service providers would be motivated by the awareness of their performance as compared to other technologies or other de-identified service providers. This awareness would be a strong motivation for quality improvements and/or technological investments.

Pipeline operators would be more aware of threats identified during other operators' integrity assessments and be able to assess the frequency of their actionable anomalies as compared to the frequency of other de-identified operators. This information would help them to better assess the effectiveness of their integrity management programs and their service provider or the operating/environmental conditions that may be affecting their performance. Once identified, Operators would be motivated to seek technological or performance improvements that addressed the gaps identified and the result would be improved identification of integrity threats.

Operators, service providers, and regulators may also see benefit from a data sharing system that could help inform the technical analysis necessary to support permit applications, whether based on existing or new technology, and changes to regulations, thereby offering a potential route to streamline these processes.

Finally, the public would have better understanding of effectiveness of integrity assessment programs and various tools/technologies applied. The improved understanding could reduce public concern about pipeline operations but may also lead to pressure to utilize/develop new technology, enhance processes/procedures or modify/enhance regulations.

The gathering and sharing of data on tool/technology performance in real-world environments (e.g. 'live' pipeline operations) can thus be used to power a virtuous cycle that harnesses and focuses the existing dynamics around the pipeline industry to boost the process of technology improvement and adoption. In that regard, consideration should be given to development of strategies to particularly emphasize the value of data that indicates opportunities for technology improvement or helps identify technologies in need of additional development.



Virtuous Cycle of Technology Improvement

Applicability to varied integrity assessment technologies

This virtuous cycle could be initiated for many different integrity assessment tools/technologies and processes, including but not limited to in-line inspection, direct assessment, non-destructive examination, leak detection, mark and locate, hydrotesting, geohazard identification, near misses, etc. Brief summaries for each of these technologies and potential outputs is provided below. A more detailed discussion of how the virtuous cycle could be initiated is provided in Attachments 1 & 2, case studies for In-Line inspection and ECDA respectively.

In-Line Inspection (smart-pig) – Different tool/technology types run inside the pipeline to identify and characterize anomalies caused by manufacturing, corrosion, cracking, or third-party damage. The type of data that could be analyzed includes:

- # of anomalies identified by type
- # of actionable anomalies
- # of actionable anomalies that required repair
- Size of actionable anomalies (w, l, d) as compared to in field measurements
- % of assessment with data collection issues (overspeed, sensor loss, power loss)
- Miles assessed

Direct Assessment (ECDA, ICDA, SCCDA) – Standardized processes that utilize data integration, above ground testing of cathodic protection and environmental factors, direct examinations of the pipe at the locations most likely to have experienced damage and an overall assessment of the process' effectiveness. The types of data that could be analyzed includes:

- # of Immediate, scheduled and moderate anomalies identified
- # of actionable anomalies
- Correlation of DA anomalies to Direct Examination
- Miles assessed

Hydrostatic Testing – This integrity assessment pressurizes a pipeline to a level that results in the failure of any anomalies that would have grown to failure prior to the next assessment. The types of data that could be analyzed includes:

- Miles of hydrostatic testing
- # of failures per mile of testing
- # of failures per mile of pipe that was previously integrity assessed
- Type and dimension of anomaly that failed with associated pressures

Non-Destructive Testing – This testing is performed with a section of the pipeline exposed for examination. Usually this testing is performed to assess the significant anomalies identified by one of the other integrity assessments. The skill of the technician, the type of data collected, and the quality of the data collection are key to validating the effectiveness of the assessment tool.

Leak Detection – On gas distribution systems, the number of leaks and the type of leaks are key indicators of the main's integrity. The effectiveness of the leak detection process and identification of the leak cause could provide valuable data to the Operator. Key data includes:

- Leaks/mile by Material
- Leaks/mile by Age
- Leaks/mile by Coating
- Leaks/mile by Company (Data will be anonymous but could report average and top/bottom quartiles)
- Frequency of survey
- Type of survey
- # leaks and leak types

Locate and Mark – A key component for reducing 3rd Party Damage is an accurate and timely Locate and Mark process. Poor or late markings can result in avoidable 3rd Party Damage. Key data includes:

- Locator (Operator or Contractor)
- # tickets
- # tickets/locator-day
- # late locates
- # locate errors
- # 3rd Party Damage incidents

Geohazard Identification – A pipeline's integrity can be threatened by geohazards such as erosion, landslides or seismic activity. Geohazard identification techniques and the frequency of geohazard remediation may be useful to reduce geohazard threat. Key data could include:

- Identification techniques and frequency
 - Aerial surveys
 - Ground surveys
 - GIS files
- Geohazard events that resulted in actionable responses by the Operator

Near Misses – Collecting the “near miss” experiences of Operators and Service Providers, will educate the industry on threats that may benefit from additional mitigation or controls. This data may be the most challenging to compile and analyze.

A summary of some of the different ways in which a VIS could motivate change and provide benefits is future expanded upon in Table Y

| Context | Data/Information Type | Stakeholders | Benefit/ Outcome Value | Measures |
|---|--|---|--|---|
| Bolster deployment of best practices and technology | As-found anomaly data, ILI as-called data, relevant physical, environmental and operational data | Operators, Service Providers | Assure consistent performance from best available technology and processes | Improved characterization and response, lower incident rates |
| Perfect the deployment of existing technology and analytical techniques | As-found anomaly data, ILI as-called data, relevant physical environmental and operational data, lessons learned | Operators, Service Providers | Improve performance from best available technology and processes | Improved characterization and response, lower incident rates |
| Improve state of the art of ILI technology or in-the-ditch assessment tools | Physical samples and data for unique or rare anomalies/interaction | Operators, Regulators, Service Providers | New or significant improvement in technology including sensors and analytics | Success rate for identification, characterization and mitigation of problematic threats, lower incident rates |
| Identity and transparency of false negatives, low probability high consequence threats | Lessons learned, Case Studies, RCA Recommendations | Operators, Regulators, Service Providers | Realization and mitigation of unique threats | New threats identified RCAs submitted |
| Stakeholder Communications | Industry integrity assurance capability, process and performance metrics, VIS outcomes | Operators, Regulators, Public and Advocacy groups | Industry credibility and stakeholder confidence | TBD |

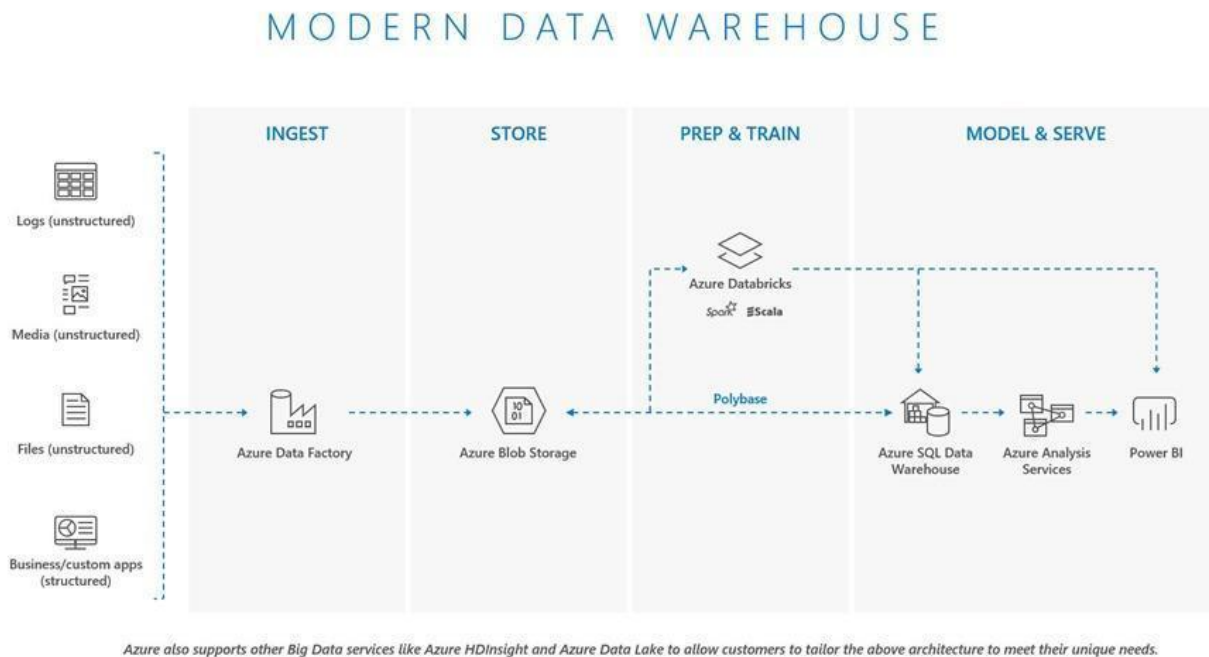
Table Y – Summary of Possible Benefits from a Pipeline Integrity VIS

Appendix: XIV: Implementation Patterns

Various options exist in the public cloud from Microsoft, Amazon Web Services and Google Cloud. All examples below are based on Azure services for the implementation of big data and data warehousing workloads. The options and approaches are scalable, extensible and capable on building or evolving upon one another. The following identifies some common adoption patterns which are reference architectures for success.

Modern data warehouse

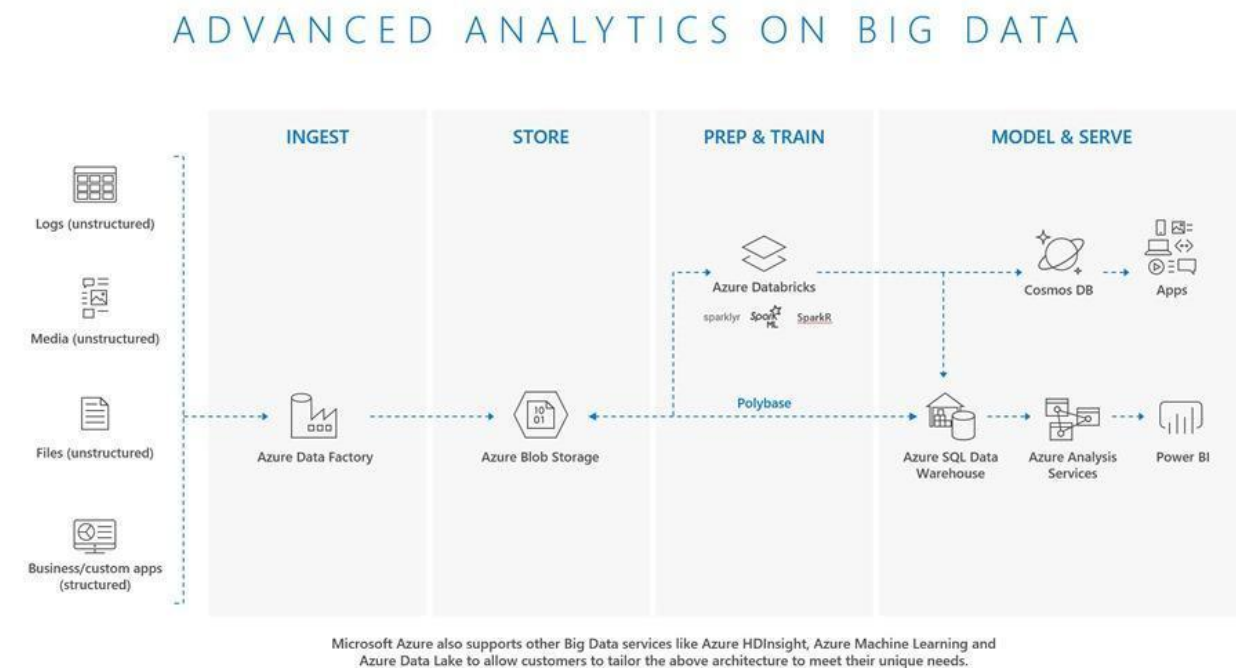
This is the convergence of relational and non-relational, or structured and unstructured data orchestrated by Azure Data Factory coming together in Azure Blob Storage to act as the primary data source for Azure services. The value of having the relational data warehouse layer is to support the business rules, security model, and governance which are often layered here. The denormalization of the data in the relational model is purposeful as it aligns data models and schemas to support various internal business organizations and applications. Azure Databricks can also cleanse data prior to loading into Azure SQL Data Warehouse. It enables an optional analytical path in addition to the Azure Analysis Services layer for business intelligence applications such as Power BI or other business applications.



Advanced analytics on big data

Here we introduce advanced analytical capabilities through our Azure Databricks platforms with Azure Machine Learning. We still have all the greatness of Azure Data Factory, Azure Blob Storage, and Azure SQL Data Warehouse. We build on the modern data warehouse pattern to add new capabilities and extend the data use case into driving advanced analytics and model training. Data scientists are using our Azure Machine Learning capabilities in this way to test experimental

models against large, historical, and factual data sets to provide more breadth and credibility to model scores. Modern and intelligent application integration is enabled through the use of Azure Cosmos DB which is ideal for supporting different data requirements and consumption.



Real-time analytics (Lambda)

We introduce Azure IOT Hub and Apache Kafka alongside Azure Databricks to deliver a rich, real-time analytical model alongside batch-based workloads. Here we take everything from the previous patterns and introduce a fast ingestion layer which can execute data analytics on the inbound data in parallel alongside existing batch workloads. You could use Azure Stream Analytics to do the same thing, and the consideration being made here is the high probability of join-capability with inbound data against current stored data. This may or may not be a factor in the lambda requirements, and due diligence should be applied based on the use case. We can see that there is still support for modern and intelligent application integration using Azure Cosmos DB and this completes the build-out of the use cases from our foundation Modern Data Warehouse pattern.

REAL TIME ANALYTICS



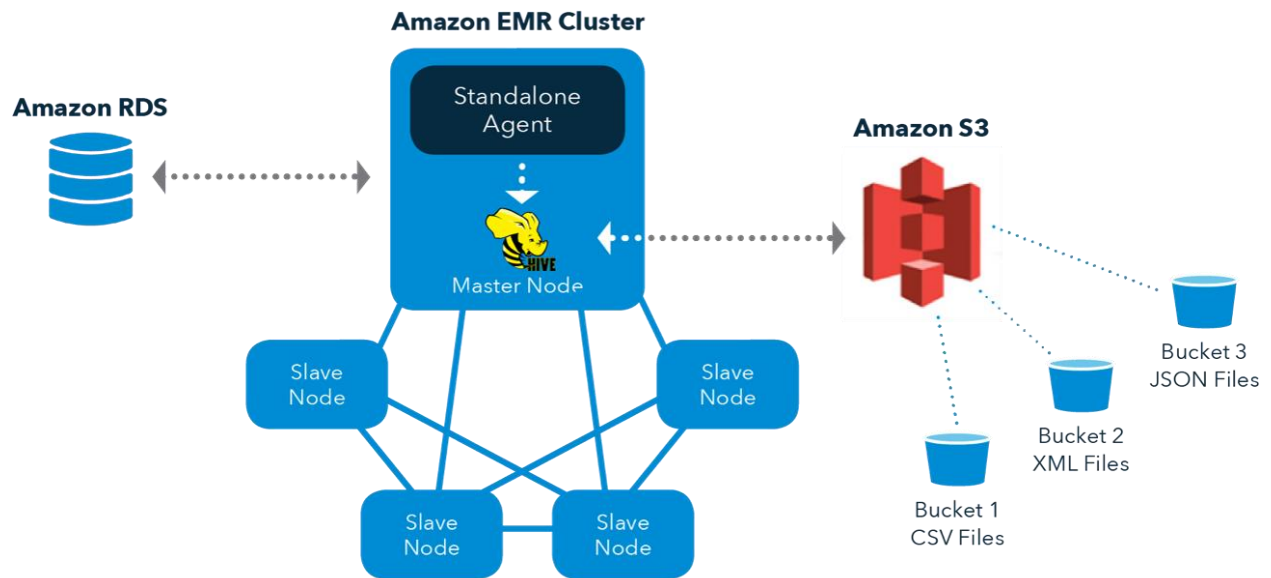
Azure also supports other Big Data services like Azure IoT Hub, Azure Event Hubs, Azure Machine Learning and Azure Data Lake to allow customers to tailor the above architecture to meet their unique needs.

MapReduce

MapReduce is a programming paradigm that was designed to allow parallel distributed processing of large sets of data, converting them to sets of tuples, and then combining and reducing those tuples into smaller sets of tuples. In layman's terms, MapReduce was designed to take big data and use parallel distributed computing to turn big data into little- or regular-sized data.

Parallel distributed processing refers to a powerful framework where mass volumes of data are processed very quickly by distributing processing tasks across clusters of commodity servers. With respect to MapReduce, tuples refer to key-value pairs by which data is grouped, sorted, and processed.

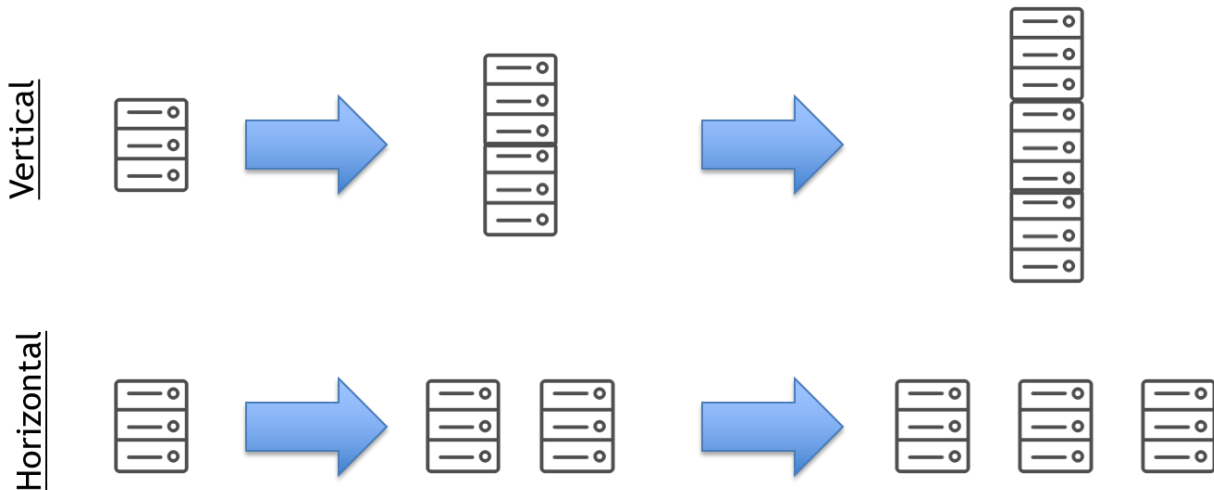
In short, you can quickly and efficiently boil down and begin to make sense of a huge volume, velocity, and variety of data by using map and reduce tasks to tag your data by (key, value) pairs, and then reduce those pairs into smaller sets of data through aggregation operations — operations that combine multiple values from a dataset into a single value. A diagram of the MapReduce architecture can be found [here](#).



Appendix XV: Paradigms of Data Processing

Most relational database managers have been built on a horizontal storage manager. A horizontal storage manager places all data in a database by row (or record) when a transaction occurs. A database table is represented as a chain of database pages that contain one or more data rows. A horizontal storage manager provides fast online transaction processing (OLTP) support because most transactions occur in a record format. However, when a user requests a record, the database page that contains the data is often moved into memory, which for business intelligence applications can be highly inefficient.

To better support typical user queries found in business intelligence, other storage and indexing techniques are required. Vendors have built vertical storage managers. Instead of storing data by row, these products store the data by columns. This method of storage effectively solves the problem of user queries against large sets of data because a user often seeks only a few columns, versus the large number of columns managed in a row by a horizontal storage manager. With the data stored as a series of page changes, with each page containing column data, query processing time is reduced by a significant factor.



Data Sources

- **Databases & Warehouses** – A database is an organized collection of data. It is the collection of schemas, tables, queries, reports, views and other objects. A data warehouse is a system used for reporting and data analysis. Data warehouses are central repositories of integrated data from one or more disparate sources.
- **IoT/Sensor Data** – The Internet of Things (IoT) is the network of physical objects—devices, vehicles, buildings and other items—embedded with electronics, software, sensors, and network connectivity that enables these objects to collect and exchange data.
- **Cloud/SAAS Platforms** – A network of remote servers hosted on the Internet and used to store, manage, and process data in place of local servers or personal computers.

- XML – Extensible Markup Language (XML) is a markup language that defines a set of rules for encoding documents in a format which is both human-readable and machine-readable.
- Excel – Microsoft Excel is a spreadsheet developed by Microsoft for Windows, macOS, Android and iOS. It features calculation, graphing tools, pivot tables, and a macro programming language called Visual Basic for Applications.
- PDF – The Portable Document Format (PDF) is a file format used to present documents in a manner independent of application software, hardware, and operating systems. Each PDF file encapsulates a complete description of a fixed-layout flat document, including the text, fonts, graphics, and other information needed to display it.

Data Storage

- SQL Data Warehouse - SQL Data Warehouse is a cloud-based Enterprise Data Warehouse (EDW) that leverages Massively Parallel Processing (MPP) to quickly run complex queries across petabytes of data. SQL Data Warehouse is commonly used as a key component of a big data solution.
- Data Lake Store - Azure Data Lake Store is an enterprise-wide hyper-scale repository for big data analytic workloads. Azure Data Lake enables you to capture data of any size, type, and ingestion speed in one single place for operational and exploratory analytics. Azure Data Lake Store can be accessed from Hadoop (available with HDInsight cluster) using the WebHDFS-compatible REST APIs. It is specifically designed to enable analytics on the stored data and is tuned for performance for data analytics scenarios.
- Storage (Azure) - Azure Blob storage is Microsoft's object storage solution for the cloud. Blob storage is optimized for storing massive amounts of unstructured data, such as text or binary data. Blob storage is ideal for: Serving images or documents directly to a browser, Storing files for distributed access, Streaming video and audio, Writing to log files, Storing data for backup and restore, disaster recovery, and archiving, Storing data for analysis by an on-premises or Azure-hosted service and
- CosmosDb - Azure Cosmos DB is Microsoft's globally distributed, multi-model database. A database for low latency and scalable applications anywhere in the world, with native support for NoSQL

Batch Processing

- HDInsight - Azure HDInsight is a fully-managed cloud service that makes it easy, fast, and cost-effective to process massive amounts of data. Use popular open-source frameworks such as Hadoop, Spark, Hive, LLAP, Kafka, Storm, R & more. Azure HDInsight enables a broad range of scenarios such as ETL, Data Warehousing, Machine Learning, IoT and more.
- Data Bricks - Azure Databricks is a fast, easy, and collaborative Apache Spark-based analytics platform optimized for Azure.
- Batch - Azure Batch runs large-scale parallel and high-performance computing (HPC) batch jobs efficiently in Azure. Azure Batch creates and manages a pool of compute nodes (virtual machines), installs the applications to run, and schedules jobs to run on the nodes.

Analytical Data Store

- **SQL Data Warehouse** - SQL Data Warehouse is a cloud-based Enterprise Data Warehouse (EDW) that leverages Massively Parallel Processing (MPP) to quickly run complex queries across petabytes of data. SQL Data Warehouse is commonly used as a key component of a big data solution.
- **Data Bricks** - Azure Databricks is a fast, easy, and collaborative Apache Spark-based analytics platform optimized for Azure.

Real-time Data Ingestion

- **Event Hubs** - Azure Event Hubs is a hyper-scale telemetry ingestion service that collects, transforms, and stores millions of events. As a distributed streaming platform, it provides low latency and configurable time retention, which enables you to ingress massive amounts of telemetry into the cloud and read the data from multiple applications using publish-subscribe semantics.
- **Kafka** - Kafka for HDInsight is an enterprise-grade, open-source, streaming ingestion service that's cost-effective and easy to set up, manage, and use. Supports real-time solutions such as Internet of Things (IoT), fraud detection, clickstream analysis, financial alerts, and social analytics.

Stream Processing

- **Apache Storm** - Apache Storm is a free and open source distributed real-time computation system. Storm reliably processes unbounded streams of data, doing for real-time processing.
- **Stream Analytics** - Azure Stream Analytics is an on-demand real-time analytics service to power intelligent action. Supports massively parallel real-time analytics on multiple IoT or non-IoT streams of data using simple SQL like language. Leverages custom code for advanced scenarios.

Analytics and Reporting

- **PowerBI** - Power BI is a suite of business analytics tools that deliver business/project insights. Connect to hundreds of data sources, simplify data prep, and drive ad hoc analysis. Produce reports, then publish for consumption on the web and across mobile devices.
- **Web App** - Azure App Service Web Apps (or just Web Apps) is a service for hosting web applications, REST APIs, and mobile back ends. Enables build and host web applications in various programming language.

Orchestration

- **Data Factory** - The Azure Data Factory service is a fully managed service for composing data storage, processing, and movement services into streamlined, scalable, and reliable data production pipelines.
- **HDInsight** - Azure HDInsight is a fully-managed cloud service that makes it easy, fast, and cost-effective to process massive amounts of data. Use popular open-source frameworks such as Hadoop, Spark, Hive, LLAP, Kafka, Storm, R & more. Azure HDInsight enables a broad range of scenarios such as ETL, Data Warehousing, Machine Learning, IoT and more.

General Definitions

- Cloud – A network of remote servers hosted on the Internet and used to store, manage, and process data in place of local servers or personal computers.
- Data
 - Static – data that does not change after being recorded. It is a fixed data set.
 - Dynamic – or transactional data is information that is periodically updated, meaning it changes asynchronously over time as new information becomes available.
 - Streaming – data that is generated continuously by thousands of data sources, which typically send in the data records simultaneously, and in small sizes
- Database Storage Technology – Currently, the most common types of databases are: relational databases and non-relational databases. Differences exist in how they're built, the type of information stored, and how they store it. Relational databases are structured, and consist of two or more tables with columns and rows. For a relational database to be effective, the data being stored should be known and structured in a very organized way (a clearly defined schema). Non-relational databases are document-oriented and distributed, offering much greater flexibility and capability to assemble related information of all types. If data requirements aren't clear at the outset or the project entails massive amounts of unstructured data, developing a relational database with clearly defined schema may not be an option.
- Data Transfer - the transmission of data (a digital bit stream or a digitized analog signal over a point-to-point or point-to-multipoint communication channel.
- Data Visualization – a general term that describes any effort to help users understand the significance of data by placing it in a visual context. Patterns, trends and correlations that might go undetected in text-based data can be exposed and recognized easier with data visualization.
- Data Repository Modes – a storage area, where metadata of a data model is stored. The data stored is different from the software perspective, organization's perspective and usage perspective. Repository can be stored anywhere; either in a data base or locally within any system.
- Advanced Processing\Analytics – is the autonomous or semi-autonomous examination of data or content using sophisticated techniques and tools, typically beyond those of traditional business intelligence (BI), to discover deeper insights, make predictions, or generate recommendations.
- Security – is the protection of internet-connected systems, including hardware, software and data, from cyberattacks. In a computing context, security comprises cybersecurity and physical security -- both are used protect against unauthorized access to data centers and other computerized systems.

References/Citations

- Implementation patterns for big data and data warehouse on Azure
 - <https://azure.microsoft.com/en-us/blog/implementation-patterns-for-big-data-and-data-warehouse-on-azure/>
 - Matt Goswell, Snr. Technical Product Marketing Manager
- Guide to Industrial Control Systems (ICS) Security
 - <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-12r1.pdf>
 - Keith Stouffer
 - Victoria Pillitteri

- Suzanne Lightman
 - Marshall Abrams
 - Adam Hahn
- Standards for Security Categorization of Federal Information and Information Systems
<https://nvlpubs.nist.gov/nistpubs/FIPS/NIST.FIPS.199.pdf>

Appendix XVI: Governance Model Options and Alternatives

Voluntary Information Sharing - Governance Alternatives

| PHMSA Administered | Privately Administered |
|---|---|
| <ul style="list-style-type: none"> • Drawing upon experience of Federal Aviation Administration – ASIAs • PHMSA administrators | <ul style="list-style-type: none"> • Drawing upon experience of Commercial Aviation – CAST • Private entity administrators |
| <ul style="list-style-type: none"> • VIS Governing Board – PHMSA, pipeline operators, service providers, NAPSIR representatives, trade associations, public representatives, labor unions and universities <ul style="list-style-type: none"> • Third-Party Information Manager – Private Entity • Issues Analysis Team(s) – comprising representation of Governing Board with deep technical knowledge | |
| <ul style="list-style-type: none"> • Legal protections through statute • Funding through Federal appropriation • Possible co-funding from private entities | <ul style="list-style-type: none"> • Legal protections through contract • Funding through private contributions • Possible co-funding from PHMSA |

Major Differences Between the Options

| Option A | Option B | Option C | Option D |
|---|--|---|---|
| <ul style="list-style-type: none"> • PHMSA/Industry Co-Chairs • PHMSA provides day-to-day oversight & operational management of VIS • PHMSA/Congress funds VIS • Legislative protections on confidentiality & non-punitive reporting. Notwithstanding Congressional action, confidentiality, NDAs, MOUs and other types of implementation agreements • Issue Analysis Team Make-up: NAPSIR-appointed State agent (or designated representative), labor and technical experts from industry and PHMSA | <ul style="list-style-type: none"> • Industry Chair, PHMSA Board Member • VIS CEO provides day-to-day executive management • VIS Operations Group provides day-to-day management • Industry participants fund VIS. Confidentially provided by confidentiality Agreements & NDAs, Non-Punitive Reporting by PHMSA Agreement • Issue Analysis Team Make-up: Participants with expertise in specified subject matter | <ul style="list-style-type: none"> • Industry/PHMSA Co-Chairs. Motions require unanimous Chair consent • VIS CEO provides day-to-day executive management • VIS Operations Group provides day-to-day management • Split funding between industry, PHMSA, grants, etc. fund VIS • Legislative protections on confidentiality & non-punitive reporting • Issue Analysis Team Make-up: Participants with expertise in specified subject matter | <ul style="list-style-type: none"> • Industry/PHMSA Co-Chairs. Motions require unanimous Chair consent • PHMSA provides day-to-day oversight & operational management of VIS • Tabled for the VIS Parent Committee Meeting • Legislative protections on confidentiality & non-punitive reporting. Notwithstanding Congressional action, confidentiality, NDAs, MOUs and other types of implementation agreements • Issue Analysis Team – Step 1, Issue Analysis Selection Committee (subset of the Executive Board made up of NAPSIR-appointed State agent (or designated representative), labor and technical experts from industry and PHMSA) responsible for populating the Issue Analysis Technical Working Group with technical and non-technical expertise. Step 2) Issue Analysis Technical Working Group that conducts the analysis and provides reports and products to the Board |

Pros and Cons

| PHMSA Administered Option A | Privately Administered Option B | Jointly Administered Option C and D |
|---|--|--|
| Pros <ul style="list-style-type: none"> • Credibility with public • Sufficient funding (contingent on Congress) • Immediate organizational capability • Ability to draw directly upon other governmental experience • Legal protections in statute • All operators bear the cost, not just users (thus may be more likely to participate/use VIS Data, also less expensive for everyone) • More public engagement Cons <ul style="list-style-type: none"> • Possible industry organization resistance • Susceptibility to changing/ competing priorities • Susceptibility to funding cuts • All operators bear cost not just users | Pros <ul style="list-style-type: none"> • Stable administrative governance • Not susceptible to government funding fluctuations • Participating operators and service providers bear costs • Ability to quickly and nimbly add enhancements or incorporation of technology solutions for the VIS • Ability to expand program scope as needed and fund expeditiously Cons <ul style="list-style-type: none"> • Possible lack of credibility • No existing organization, Would need to be built from the ground up • Stability of funding or possible insufficient industry participation to fund program at all | Pros <ul style="list-style-type: none"> • Stable administrative governance and credibility with the public • Provides more options for funding • Immediate organizational capability • Ability to draw directly upon private and governmental experience akin to the FAA • Legal protections in statute • More public engagement Cons <ul style="list-style-type: none"> • Possible industry organization resistance • Unanimity and consensus building can take more time • Uncertainty of funding |